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INFRASTRUCTURE
For Upscale Food Production, CBN Disburses N948bn To Farmers
PG 6

INVESTMENT
NAICOM Pushes Operators To Grow Annual Insurance Premium To N6trn
PG 7

ECONOMY
Experts Urge FG To Speed Up Transition To Gas Economy
PG 14

Second Niger Bridge:

Promise Kept, Gateway To Economic Viability

- N157 billion So Far Spent

The Honourable Minister of Finance, Budget & National Planning, Mrs. Zainab Ahmed, with Dr. Gilbert Ibezim (middle), and Mr. Fredrich Weiser, Project Director, Julius Berger at the site explaining the flooring of concrete on the final segment on the super structure of the 2nd Niger Bridge.

By Felix Omoh-Asun and Musa Ibrahim

In one of his visits to the South East, President Muhammadu Buhari on October 8, 2020 promised that his administration would complete and commission the Second Niger Bridge before the end of his tenure in 2023.

This is gradually coming to fruition as the linking of the parts of the bridge had been completed.

Indeed, the construction of the new bridge began on September 1, 2018, when the contract was awarded.

The Honourable Minister of Finance, Budget and National Planning, Mrs. Zainab Ahmed, re-echoed the President's promise last week when she visited the site.

She expressed optimism that the completion and inauguration of the Second Niger Bridge, scheduled for the third quarter of this year, is a reality - a promise kept by this administration.

Mrs. Ahmed said that the federal government has spent over N157 billion on the construction of the 2nd Niger Bridge out of the initial cost of N206 billion.

The federal government had,

CONTINUES ON PAGE 2

Second Niger Bridge: **Promise Kept, Gateway To Economic Viability**

CONTINUES FROM COVER PAGE

according to her, reviewed the initial cost up to about N400 billion because of rising inflation.

The Honourable Minister was received by the Anambra State Governor, Charles Soludo, represented by the Deputy Governor, Dr. Onyeka Ibezim.

Mrs. Ahmed, after inspecting the 1.6km bridge, along with the Managing Director (MD) of the Nigeria Sovereign Investment Authority (NSIA), Mr. Uche Orji, and Deputy Governor of Anambra State, Dr. Gilbert Ibezim, as well as top officials of the ministry and the contractors, stated that the bridge was designed to uplift the lives of the people of the South South and South East.

The Ministry of Finance oversees disbursement of funds for the project.

Speaking shortly after the inspection, Ahmed described the bridge as a very significant project for the federal government. She said that her visit was to gain an insight into how the funds released for the construction of the bridge were being utilised.

"For me, I can report to Mr. President and say I have seen where all the N157 billion has gone to," she said.

She described the bridge as "one of the iconic projects in the country", and said that the 2nd Niger Bridge would "uplift the lives and livelihoods" of the people of South-east and South-south parts of the country, when completed.

"People working here are from within the surroundings. So, up to about 20,000 jobs have been created in this project, "she said.

The Honourable Minister expressed delight that two ends of the bridge had been linked. She lauded the construction firm for "introducing some unique innovations" in the construction.

The funding

Mrs. Ahmed said that the project is being funded through the Presidential Infrastructure Development Fund (PIDF) created by President Muhammadu Buhari and managed by the NSIA.

PIDF is also used to fund the construction of Lagos-Ibadan expressway and the Abuja-Kaduna-Kano-Road, she said.

Mrs. Ahmed said that looted funds recovered from Nigeria's former military dictator, Sani Abacha, were part of the PIDF.

The Nigerian government established the PIDF in 2018 as a response to the insufficiency of national annual appropriation to meet the capital and infrastructure commitments of the Nigerian government.

It sped up the execution of certain strategic infrastructure projects essential to the growth of Nigeria's economy.

"The NSIA brought some of its own capital and there was also added capital that was provided by the federal government and some of the capital (was) from returned loot of General Sani Abacha. That is the funding structure.

"So, as it stands today, it is purely the NSIA and the federal government that is the face of the project," he said.

Mr. Orji said that compensation is paid as the work progresses, to residents whose properties are affected by the construction.

The construction of the new bridge began on September 1, 2018. The bridge spans from Asaba in Delta State to Ozubulu, Ogbaru and other communities in Anambra State.

The first Niger Bridge, linking Onitsha and Asaba, was completed in 1965 and built by the French construction company, Dumez.

5,000 Jobs So Far Created

Meanwhile, the construction of the Second Niger Bridge has provided job opportunities to over 5,500 Nigerians, according to the

The Honourable Minister with her entourage watch as the Project Director, Mr. Frederick Weiser, explains the final phase of the project.

Federal Controller of Works in Anambra State, Adeyemo Ajani.

Mr. Ajani disclosed that at "The peak of the construction of this project, we had over 1500 staff employed locally from here. That's for direct employment. And when you look at the indirect employment, such as the vendors, suppliers and others, over 4,000 persons were engaged for this construction," he said.

The records showed the project had improved the socio-economic condition of the people living around the area.

In another development, Mr. President's Chief of Staff, Professor Ibrahim Gambari, who led a federal government delegation, had assured that the pace of socio-economic development would increase in the area when the project is completed.

The Second Niger Bridge would be commissioned by President Buhari in October 2022, the delegation said.

The new bridge, which is handled by Julius Berger Nig Ltd, connects Anambra and Delta states, and is expected to reduce the gridlock and strain on the first Niger Bridge.

Background

The Second Niger Bridge was first proposed during the 1958/69 political campaign by then candidate Shehu Francis pastor of the National Party of Nigeria (NPN).

In 1987, after warning about the state of the existing River Niger Bridge by the then Minister for Works and Housing, Abubakar Umar, General Ibrahim Babangida challenged the local engineers to design The Second Niger Bridge, rising to the challenge.

The Nigerian Society of Engineers called NSE Prems Limited, which subsequently delivered a masterplan. The addition of east–west railway line to the project, unfortunately the turmoil that precipitated the end of Babangida's administration stalled the plan.

Under the subsequent military governments, the projects received little attention. Upon the return to civilian rule, President Olusegun Obasanjo promised to deliver a second Niger River bridge. However, his administration did not carry out any major activity on the project until five days before he handed over to the then incoming administration of Umaru Musa Yar'Adua, when Obasanjo flagged off the project in Asaba.

It was proposed for a six lane, 1.8 km tolled bridge, which was to be completed in three-and-half years.

The bridge was to be financed under a public private partnership (PPP) with 60 percent of the funding coming from the contractor, Gitto Group; 20 percent from the federal government of Nigeria, and 10 percent from the Anambra and Delta State governments. Unfortunately, the subsequent death of President Yar'adua marred the progress of the project.

However, in August 2012, the Federal Executive Council (FEC) under Goodluck Jonathan's administration, approved a contract worth N325 million for the final planning and design of the bridge.

During the 2011 Nigerian general election campaign period, Jonathan had promised that if elected, he would deliver the project before the end of his term in 2015. At an Onitsha town hall meeting on August 30, 2012, he promised to go into exile if he did not deliver on the project by 2015.

A project that is 1.6 km long and furnished with other ancillary infrastructure including a 10.3 km (6.4 mi) highway, Owerri interchange and a toll station all at Obosi city, expected to be completed in the year 2022.

Workers on site preparing for the flooring of concrete on the bridge.

Number Of Patients Seeking Specialist Healthcare At Established Centres Surpass Expectations – Finance Minister

By Kingsley Benson

The number of patients seeking specialist healthcare at the already established Medical Centres in Nigeria have surpassed the planned expectations, according to Mrs. Zainab Ahmed, Honourable Minister of Finance, Budget and National Planning.

Speaking at a meeting with the team of Nigerian Ambassador to Egypt and representatives of Saudi-German Hospital (SGH) in Cairo, after a previous meeting with government of Kaduna State on healthcare management and operations, Mrs. Ahmed noted that as at 2008 Nigerians spent $1.0billion in medical tourism.

For the earlier meeting they were led by the Nigerian Ambassador to Egypt with accreditation to Palestine and Eritrea, Mr. Nura Abba Rimi.

On the state of Nigerian healthcare, Mrs. Ahmed said: "We are compelled to travel outside our shores for healthcare due to the dearth in professional healthcare facilities and management in Nigeria. This means that we have the capacity to pay for quality healthcare anywhere.

"Why can we not bring these facilities to Nigeria, by government introducing deliberate policies backed by funding, to attract similar healthcare service providers to Nigeria," she said.

Recalling areas of healthcare that Nigerians seek professional services, the Honourable Minister said: "There are four main areas of healthcare in which Nigerians all over the country seek professional services. Namely, oncology, cardio-vascular, nephrology and orthopaedic medicine.

She told the team that Nigeria Sovereign Investment Authority (NSIA) on behalf of the federal government is investing in these areas through collaboration with the Teaching Hospitals and Federal Medical Centres across the country.

"So far, through the NSIA, we have established three specialist centres in Kano, Lagos and Umuahia.

Mrs. Ahmed then invited Mr. Uche Orji, Managing Director and Chief Executive Officer of NSIA, to explain what the Authority has been doing within the healthcare sector infrastructure in Nigeria.

Mr. Orji that it has commenced the construction of an Advanced Medical Centre in Abuja and planned for three more oncology centres and 23 diagnostic centres. Furthermore, he also said that there are plans to establish large regional diagnostic centres by supporting third party investors in the healthcare delivery platform in Nigeria, adding that the NSIA is reaching out to co-investors in that regards.

The huge investments are being carried out as the government looks to attract professional healthcare experts and managers into Nigeria, according to Mr. Orji.

He also said that the NSIA is also looking at the co-investors participating in pharmaceuticals and vaccine production in the country.

At the meeting, the Ambassador of Nigeria to Egypt introduced the Regional Director of the SGH Group in Egypt and North Africa, Dr. Mohammed Hablas, and their Chief Business Development Officer, Mr. Mohamed Lotfy.

The SGH Group representatives noted that investment in healthcare is very important for any country.

They indicated interest in investing in greenfield hospitals, and also said that they could invest in 'total medical city'.

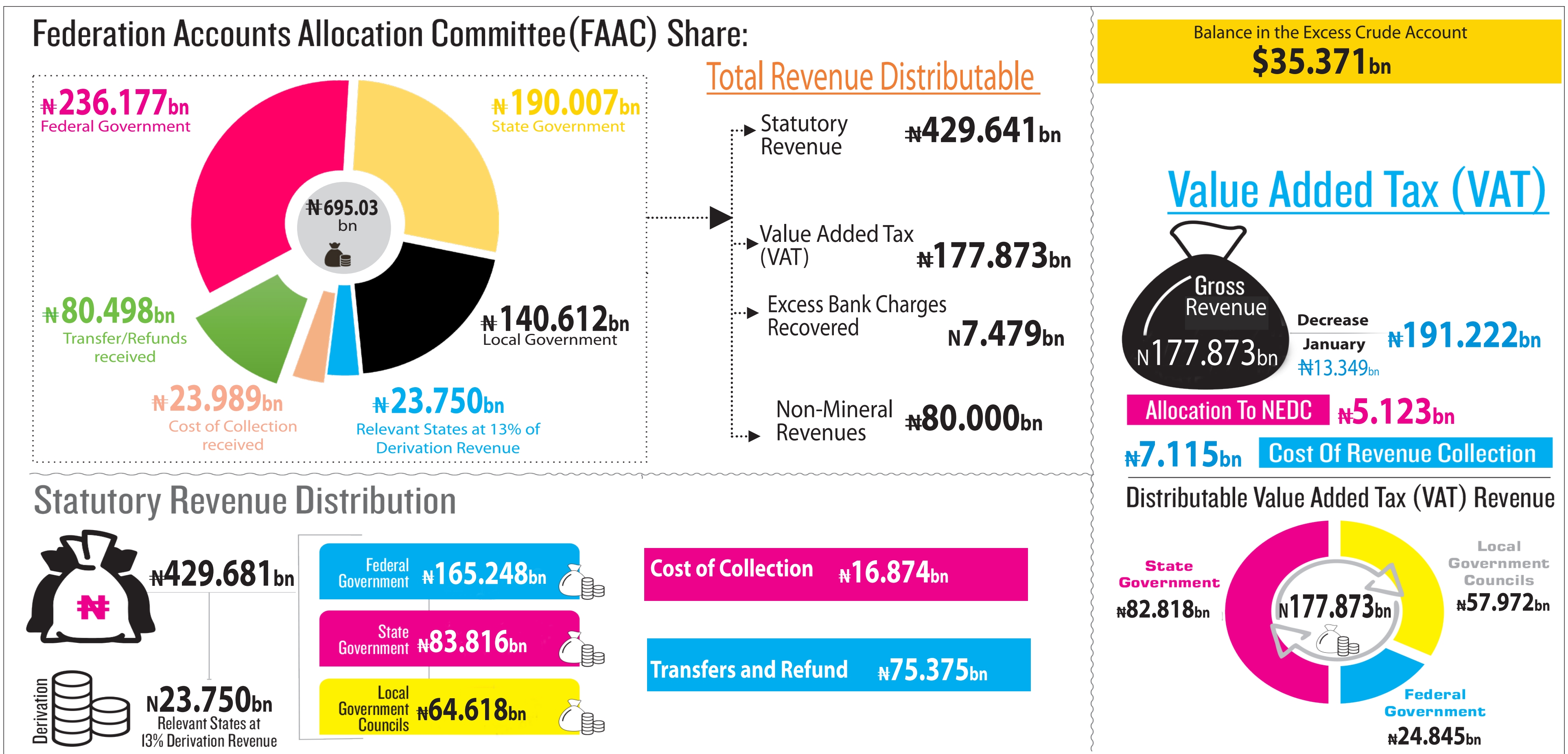
They have, according to them, collaborated with International Finance Corporation (IFC), Organisation of the Petroleum Exporting Countries (OPEC), and the Danish Fund.

They said that, currently, they have facilities in Cairo, Alexandria, Giza in Egypt and in Morocco, and that they execute 'design, build and operate models'.

The meeting was at the behest of the Honourable Minister knowing that the National Sovereign Investment Authority (NSIA) has been investing in the healthcare sector. This is being carried out in conjunction with how to attract the professional healthcare experts and managers into Nigeria.

Mrs. Zainab Shamsuna Ahmed, Hon. Minister Of Finance, Budget And National Planning

FAAC: FG, States, LG Receives N695bn For February



According to the Communiqué, in the month of February 2022, Companies Income Tax (CIT), Petroleum Profit Tax (PPT) and Oil and Gas Royalties decreased significantly while Value Added Tax (VAT), Import and Excise Duties decreased marginally.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ABOUT FIRS

MANDATE

Under the Federal Inlandn Revenue Service Establshment Act (FIRSEA) 2007, the Service is charged with the powers of assessment, collection of and account of the Federation and for related matters

VISION

To deliver quality service to taxpapers in partnership with other stakeholders and make taxation the pivot of national development.

OUR MISSION

To operate a transparent and efficient tax system that optimizes tax revenue collection and voluntary compliance.

OUR CORE VALUES

PROFESSIONALISM

- Competence and Know-how
- Accountability
- Fairness
- Continuous Learning
- Respect to Taxpayers Constituted Authorities and Colleagues

INTEGRITY

- Candour
- Courage
- Transparency
- Self-discipline

EFFICIENCY

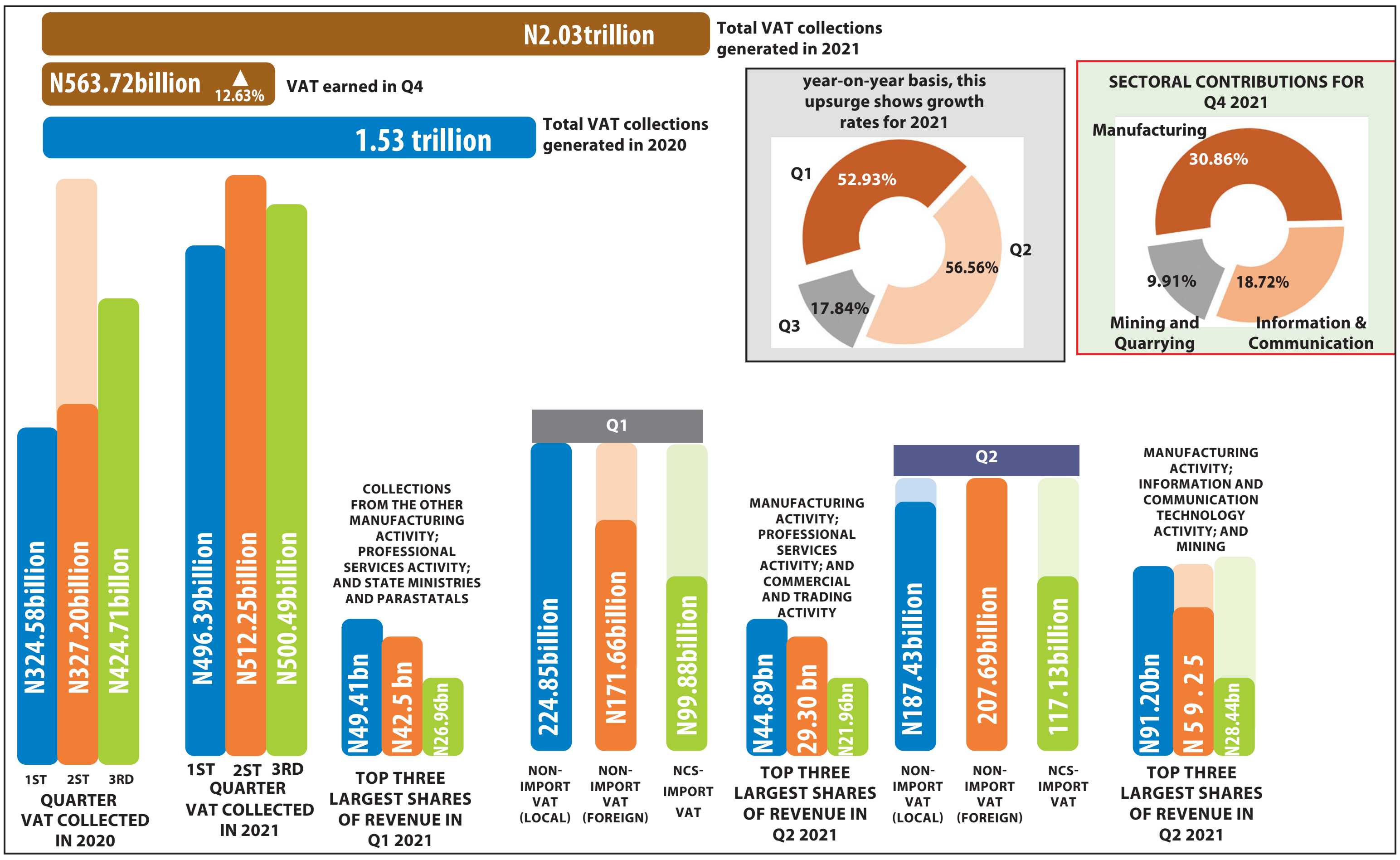
- Speed
- Accuracy

OWNERSHIPM AND COLLECTIVE RESPONSBILITY

- Team Spirit
- Partnering
- Information Sharing

NBS Says Earnings From VAT Increases By N530bn, Hit N2.03trn

Felix Omoh-Asun



Federal government's hope to finance the national budget and fund the development of critical infrastructure must have scaled as value added tax (VAT) may have come to the rescue.

This is as a recent report of the National Bureau of Statistics (NBS) shows that the country generated a total of N2.03trillion from VAT collections in 2021.

The revenue generated from VAT in 2021 represents an increase of N530billion when compared to N1.53trillion generated in 2020.

According to a report released by the NBS, the country earned N563.72billion from VAT in Q4, showing a growth of 12.63 percent, quarter-on-quarter.

However, on a year-on-year basis, VAT collections in Q4 2021 increased by 23.98 per cent from Q4 2020, the report added.

In the first, second, and third quarters of 2021, total VAT collected were N496.39billion, N512.25billion, and N500.49billion respectively compared to the corresponding figures of 2020 at N324.58billion, N327.20billion, and N424.71billion respectively.

"This shows higher revenue in the first three quarters of 2021, revealing an improvement in collections.

"On a year-on-year basis, this upsurge shows growth rates of 52.93 percent in Q1 2021, 56.56 percent in Q2 2021 and 17.84 percent in Q3 2021," NBS had said.

Looking at the sectoral distribution of local revenue generated over the period, collections from the other manufacturing activity; professional services activity; and state ministries and parastatals accounted for the top three largest shares of revenue in Q1 2021 with N49.41bn (21.97 percent), N42.5billion (18.9 percent), and N26.96billion (11.99 percent) respectively.

Nevertheless, the NBS added that non-import VAT (local) was N224.85billion, non-import (foreign) VAT amounted to N171.66billion, while NCS-Import VAT stood at N99.88billion.

Similarly, other manufacturing activity; professional services activity; and commercial and trading activity accounted for the top largest collections in Q2 2021 with N44.89billion (23.95 percent), N29.30billion (15.63 percent) and N21.96billion (11.71 percent) respectively.

Non-import VAT local was N187.43billion in Q2, lower than Q1; non- import (foreign) VAT stood at N207.69billion, higher than Q1, while NCS-Import VAT rose to N117.13billion, an improvement from the preceding quarter.

For Q3 2021, NBS data show that manufacturing activity; information and communication technology activity; and mining and quarrying activity accounted for the top three largest share of total revenue collected sector-wise, representing 30.87 percent (N91.20billion), 20.05 per cent (N59.25billion) and 9.62percent (N28.44billion) respectively.

Under the quarter, the bureau said that collections of non-import VAT (local) and NCS-Import VAT were higher than the Q2 2021.

For Q4 2021, the NBS said: "In terms of sectoral contributions, the top three largest shares in Q4 2021 were manufacturing with 30.86 percent; information and communication with 18.72 percent and mining and quarrying with 9.91 percent."

For Upscale Food Production, CBN Disburses N948bn To Farmers

• Advises Nigerians To Shun Illegal Financial Operators

By Albert Egbede

The Central Bank of Nigeria (CBN) said that it had disbursed N948 billion to 4,478,381smallholder farmers to upscale food production in the country.

The CBN Governor, Mr. Godwin Emefiele, disclosed this while delivering the 25th and 26th combined convocation lecture of the Ekiti State University (EKSU), last week in Ado-Ekiti, Ekiti State.

He spoke on the topic: 'The Role of Central Bank in Managing Economic Downturns.'

The lecture also coincided with the 40th anniversary of the university's establishment.

The CBN Governor said that the lofty programme, apart from encouraging farming, had also generated an aggregate of 12.5 million direct and indirect jobs for the Nigerian youths.

Mr. Emefiele added that the bank had disbursed N368.79 billion to 778,000 beneficiaries under the credit facility.

This, he said, is to help households and businesses that suffered significant losses during the dreaded COVID-19 pandemic.

Giving the breakdown of how the facility was disbursed, Mr. Emefiele revealed that 648,052 households and owners of Small and Medium Enterprises benefited from the federal government-driven policy.

"As you all know, one of the major challenges facing Nigerian economy is over reliance on revenues and foreign exchange earnings from the sale of crude oil, even though the petrol represents just 10 percent of our GDP.

"Moreso, the non-oil sector, particularly agricultural and manufacturing sectors, which contribute about 30 and 13 percent to our GDP have been confronted with low investments, inadequate credit to real sector and weak infrastructure.

"Furthermore, with an annual population growth rate of 2.8 percent, it was important that all efforts were made available for Nigerians, particularly in sectors that had the potentials to absorb youths.

"We were aware that if necessary support was given to households and business, productivity will rise and investment will flow into our economy," he said.

The CBN Governor hinged the current economic downturn and hardship in the system on the economic recession of 2015-2017 and the COVID-19 pandemic that ushered in a revenue drop and reduction in foreign investment portfolio.

Meanwhile, the apex bank through its Financial Services Regulation Coordinating Committee (FSRCC) has advised Nigerians to stop dealing with unlicensed or illegal financial operators in the country.

The CBN gave the advice in a statement posted on its website on Monday.

It said that the illegal financial operators lure and defraud unsuspecting members of the public by offering extra ordinary returns on investments as bait.

It also described the increasing activities of the Illegal Financial Operators (IFOs) as worrisome, saying it portends a grave risk to public confidence and the stability of the Nigerian financial system.

The statement reads in part: "The FSRCC in its continuing efforts to end the scourge of IFOs in Nigeria, hereby issues the following advisory:

"The general public is advised to refrain from dealing with unlicensed or illegal financial operators, who lure and defraud unsuspecting members of the public by offering extra-ordinary returns on investments as bait.

"Members of the public are advised to visit the websites of the CBN, Securities and Exchange Commission (SEC) and other relevant member agencies of the FSRCC to verify the registration and license status of such companies and schemes before investing in them.

"You are also advised to report any individual or entities suspected to be involved in such nefarious activities to the law enforcement agencies."

It assured that financial regulatory agencies shall continue to carry out all necessary due diligence before registering or licensing any operator under their regulatory purview.

"In addition, Agencies shall refer to relevant supervisory authorities for confirmation before finalising on any registration/licensing application," the statement said.

It encouraged member agencies to engage in regular sensitisation campaigns on the threats posed by the activities of illegal financial operators.

It also urged the general public to address further enquiries to the Director, Financial Policy and Regulation, CBN, and / or the Executive Commissioner, Legal and Enforcement, SEC.

NAICOM Pushes Operators To Grow Annual Insurance Premium To N6trn

- To Begin Ranking Insurance Firms
- To Use Technology To Drive Sector

Mr. Sunday Olorundare Thomas, Commissioner for Insurance, National Insurance Commission (NAICOM)

By Sheatiel Mendi

The National Insurance Commission (NAICOM) is relentless in its efforts to achieve its target for insurance operators in the country to grow annual insurance premium to N6 trillion by the year 2030 from the present level of N630 billion.

Following NAICOM's relentless effort, the sector's assets has witnessed massive growth reaching N2.14 trillion within the past six years.

Latest data released by the umbrella body of insurance underwriters, the Nigeria Insurers Association (NIA) showed that in the past five years, the insurance sector has grown its assets by N1.17 trillion.

The Commissioner for Insurance, Mr Sunday Olorundare Thomas, said that his N6 trillion projection for the sector was hinged on notable developmental initiatives already embarked upon by the regulator, to stimulate the sector.

Thomas said the Commission has embraced technology to drive the sector to an enviable height.

He noted that the Commission is focusing on using technology to boost access to insurance as that seems the way to go under the prevailing circumstance. "We are exploring ways to take insurance to where the other financial sectors are or even surpass that mark," Thomas noted.

He said the development of the sector requires collective efforts.

He believed that the development and growth of the insurance sector will translate to the growth and development of the Nation's economy.

Thomas remarked that the Commission has been implementing various market developmental initiatives to lift the sector to a global standard.

Thomas, while speaking at the retreat for financial journalists held in Uyo, the Akwa Ibom state capital, with the theme "Improving Insurance Access through Market Development and Innovation in 2022 and beyond," said through risk based supervision framework, enforcement of the compulsory insurance products in Nigeria – via partnership with agencies and states, capacity development programmes and introduction of regulatory reforms and policies, the commission has been able to establish a global standard for the sector.

"We can gladly say that the Nigerian Insurance market has undergone substantial structural and regulatory reforms over the years following the market development initiatives being implemented and the evolution of Nigeria's financial sector in the last decade which has been characterised by digital transformation.

"The Commission is trying to open up the market across the geo-political zones by reaching out to the states where insurance penetration is perceived to be very low. We expect the industry to respond to these efforts by bridging the supply gap and ensure they follow up on the Commission's move to create awareness among high ranking policy makers in order to prove that the industry is ready for the booming opportunities awaiting them across the country," the Commissioner emphasised.

He equipped that financial transactions are more of a one-stop shop for everything and is either "we key in or we lose the business to more innovative outlets that will seize it from us.

"Claims payment has always been one aspect the industry is battling to balance. We all agree that we cannot claim ignorance of the fact that the industry is paying huge claims out there even though activities of few amongst the operators is jeopardising the efforts of the majority. We had before now agreed to start ranking companies on the number of claims received and settled on annual basis and we intend to publish such ranking for the insurance consumers. It is always an issue that put the entire industry on the edge. The Commission is doing all it can to see that the non-settlement of claims is brought to its barest minimum in the sector," he added.

Speaking further, Thomas said: "The importance of insurance post COVID-19 and the aftermath of EndSARS protest cannot be overemphasised hence, the marginal increase in the uptake of policies boosting the retail market and the annuity component.

"The recently released industry statistics has shown some growth in the sector. The Nigerian Bureau of Statistics figures has shown that the sector has recorded positive increase in almost all parameters and have rated the sector as one of the fastest growing sectors in activities. Even though we are climbing the ladder, we all know that there is need for us to do much better as our potentials are huge.

"Our efforts in the development of the market is an all inclusive one from the creation of avenues to deepen insurance penetration to increasing access to insurance products via digital platforms and increasing visibility of insurance across the nooks and crannies of the country. The Commission recently partnered with Financial Sector Deepening Africa, FSD Africa to launch the Bimalab Nigeria, a program aimed at accelerating the insurtech innovation. Let me inform you that the Commission will soon be unveiling the Commission's sandbox to give room for innovative expansion of insurance reach out. The web aggregators' guideline is also aimed at opening access to insurance and also a means of creating a convenient market for insurance. Presentations are going to be made by subject matter experts on these issues and I believe more light will be thrown and you have the opportunity to ask questions so that you leave here more informed about the Commission's objectives and priorities."

Meanwhile, the NIA data revealed that the sector had successfully grown its total assets to N2.14 trillion in 2021.

According to the umbrella body of insurance underwriters, underwriters' total assets between 2016 and 2021 rose from N974.09 billion in 2016 to N2.14 trillion in 2021, showing an increase of N1.17 trillion.

According to NIA, insurance companies recorded tremendous growth on their assets within the period, siting Leadway Assurance Limited, which increased its total assets by N357.13 billion between 2016 and 2020, moving from N166.06 billion to N523.19 billion.

Also, FBNInsurance Limited also increased its total assets by N129.63 billion between 2016 and 2020, from N29.51 billion to N159.14 billion; AIICO Insurance Plc increased its by N120.52 billion from N75.82 billion to N196.33 billion; Custodian Life Assurance Limited, recorded N73.67 billion assets increase from N24.67 billion to N98.34 billion and Cornerstone Insurance Plc, achieved N18.11 billion growth from N18.37 billion to N36.48 billion.

On its part, NEM Insurance recorded an increase of N16.64 billion from N14.53 billion to N31.17 billion; Mutual Benefits Life Assurance, N16.46 billion from N36.18 billion to N52.64 billion; Mutual Benefits Assurance Plc, recorded N13.74 billion from N16.58 billion to N30.32 billion; Linkage Assurance Plc, recorded N13.55 billion growth from N20.33 billion to N33.88 billion while African Alliance Insurance Plc, grew assets by N12.66 billion from N41.35 billion to N54.02 billion.

Others are: FBN General Insurance Limited, which grew it's assets by N9.9 billion from N6.06 billion –toN15.96 billion, NSIA Insurance Limited, grew by N8.97 billion from N13.15 billion N22.12 billion; Custodian & Allied Insurance Limited, grew by N8.14 billion from N29.68 billion to N37.82 billion, Anchor Insurance Company Limited, grew by N7.74 billion from N5.78 billion to N13.55 billion and Coronation Insurance Limited, by N7.56 billion from N20.59 billion toN28.15 billion.

Unitrust Insurance Company Limited grew by N7.18 billion from N11.54 billion to N18.72 billion and sovereign Trust Insurance Plc, by N5.32 billion from 9.511 billion to N14.83 billion.

NAICOM said that unaudited Gross Premium Income (GPI) for the insurance industry stood at N630.36 billion in 2021, as against audited N514 billion recorded in 2020.

The Head, Corporate Communications and Market Development, NAICOM, Rasaaq Salami, informed that the industry also paid net claims of N238.05 billion in 2021 with sector's total assets hitting N2.139 trillion.

Salami said that NAICOM would deepen the use of insurance as a strategic tool for stimulating growth in other facets of the economy and ultimately generate revenue for the government.

Given this performance, Mr. Thomas has called on Nigerians to report underwriting companies that fail to pay genuine claims to policyholders as when due.

Mr. Thomas said that there was an urgent need to rewrite Nigerians' poor perception about insurance to increase uptake of insurance products.

He disclosed that the Commission was planning to start ranking insurance firms based on the number of claims filed and settled yearly.

The Commissioner lamented that though the industry was moving ahead in claims payments, the activities of some operators remained a task.

He said: "Claims payment has always been one aspect the industry has been battling with. We all agree that we cannot claim ignorance of the fact that the industry is paying huge claims even though activities of a few amongst the operators are jeopardising the efforts of the majority. We had before now, agreed to start ranking companies on the number of claims received and settled every year and we intend to make the ranking a public knowledge for the insurance consumers. It is always an issue that puts the entire industry on the edge."

He explained that the commission has been implementing various market developmental initiatives to lift the insurance sector to a global standard through risk-based supervision framework, digital capabilities and others.

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EDITORIAL

NUPRC Should Stop IOCs Evading Taxes From Lifting Crude Oil From Nigeria

It is in the public view that the Senate has extended the implementation of the 2021 Appropriation Act from March 31st to May 31st, 2022.

The extension was approved following the consideration of a bill to amend the 2021 Appropriation Act.

We are in support of the Senate Committee on Finance directing the Nigerian Upstream Petroleum Regulatory Commission, (NUPRC) to stop international oil companies evading taxes from lifting crude oil from Nigeria.

The red chamber said all the defaulting IOCs must pay the requisite tax to the Federal Inland Revenue Service (FIRS) before they would be allowed to continue their business.

The Chairman of the Senate Committee on Finance, Senator Solomon Adeola, stated this when the Chief Executive of NUPRC, Gbenga Komolafe, appeared before the panel.

We are of the opinion that there is need for serious investigations of all foreign oil companies lifting Nigeria crude oil in relation to their compliance with tax obligations according to extant laws of the land. Let those companies show evidence of tax payment as they are mandated by law to pay, or they can do a payment on account based on estimates to continue to lift Nigeria crude oil pending a time when proper reconciliation will be done on their tax liabilities in the last ten years of operation, as submitted by Senator Adeola.

We understand that only recently in 2020, an audit of just one of such foreign companies known as TeeKay Group with 14 tankers paid about $10 million in tax liabilities to FIRS for a back duty investigation of five years adding that at least over 100 of such entities have been lifting crude oil in Nigeria without paying a dime in taxes.

We are also saying that henceforth, NUPRC, unlike the way the defunct DPR operated, must ensure that any firm lifting crude oil must have a tax clearance from FIRS. The National Assembly should investigate about 100 companies lifting our crude oil without paying any taxes as there are no record of such payment with FIRS. Those in positions of responsibility must recover all our revenue from this source, just as senator Adeola reiterated. International oil companies must pay their taxes.

Not long ago, there was a revelation that as many as 77 oil and gas companies operating in the country owe the government a staggering sum of $6.48 billion (about N2.3trillion) in taxes. This calls for immediate action to get the offending organisations pay what they owe and appropriate sanctions applied where necessary.

The Nigerian Extractive Industries Transparency Initiative (NEITI) did indicate that the debts arose from the companies' failure to remit petroleum profit taxes; company income taxes, and education tax. Others include VAT; withholding taxes; royalty (oil and gas), and gas flare penalties and concession rentals.

The taxes are obviously statutory obligations of companies engaged in the extractive industry worldwide.

Of course, such items as petroleum profit tax, royalty, and companies' income tax are standard elements in oil and gas companies' financial reports. For the exploration and production companies, for instance, they are part of the cost elements used in the calculation of the eventual price of a barrel of crude oil. Thus, there can be no questions or ambiguities about the companies' obligations or methods of payment.

The amount $6.48 billion is not just a mere figure. It is a resource with huge opportunity costs, and its absence or presence makes a significant difference in the lives of millions of Nigerians.

It is more worrisome that this unconscionable pillaging is taking place at a time when Nigeria is borrowing. We also understand that the debt owed by these companies could have covered the entire capital budget of the federal government in 2020, used to service the federal government's debt of $2.68b in 2020.

These facts make the 77 companies' failure to pay their taxes an urgent matter that must, as a matter of urgent concern, be addressed quickly.

Save Money In Licenced Banks, NIDC Tells Nigerians

By Albert Egbede

To be on the safe side, the Nigerian Deposit Insurance Corporation (NDIC) advised Nigerians to always save money in licensed banks.

The advice is coming on the heels of losses suffered from fire outbreaks, theft, robbery cases across the country.

The corporation advised that Nigerians should desist from keeping their money in their homes or shops.

Managing Director of the bank, Bello Hassan, stated this in Enugu, last week during the NDIC Day at the ongoing 33rd edition of the Enugu International Trade Fair.

Hassan urged Nigerians to always save money in licensed banks where their savings would be protected by the NDIC.

Hassan said the corporation would always protect depositors' funds, urging Nigerians to report all cases of dubious activities by banks to both the NDIC and Central Bank of Nigeria (CBN).

"People should also endeavour to report cases of dubious activities by banks to Central Bank of Nigeria (CBN) and the NDIC through 080063424357," Hassan said.

Represented by the Deputy Director and Zonal Controller, Enugu Office, Mrs. Stella Henshaw, he stated that the Corporation provides deposit insurance coverage to depositors of deposit money banks, microfinance banks, primary mortgage banks, non-interest banks, mobile money operators subscribers and newly licensed Payment Service Banks (PSBs) since its inception.

He added: "As of December 2022, the Corporation has paid a total of N119.101 billion as insured sums to 535,815 depositors, creditors and shareholders of closed banks while a total of N101.117bn had been paid as uninsured sums."

He said the corporation has declared full payment of insured and uninsured sums to depositors of 18 banks in-liquidation

He added that the implication of the development was that the corporation has realised liquidation dividends to pay all depositors of banks who present themselves for payment.

According to him, the corporation has declared full payment of insured and uninsured sums to depositors of 18 banks in-liquidation.

"This implies that the corporation has realised liquidation dividends to pay all depositors of the banks who present themselves for payment.

"The corporation has promptly responded to emerging issues in the emergence of Fintech and other forms of digital financial services with a view to extending Deposit Insurance Coverage to new financial services.

"I assure you that NDIC will not rest on its oars in its unrelenting efforts to protect depositors through prompt operational responses to new developments in the banking system," he said.

He said that the mandate of NDIC is focused on the protection of depositors, especially, small and less-sophisticated ones against the risk of bank failure.

He said that a sound and stable financial system was the pivot upon which the economic system of any nation rests.

Put On Your Thinking Caps For Ideas To Attain FIRS Goals, Nami Tells Management Staff

By Ahmed Ahmed

The Executive Chairman, Federal Inland Revenue Service (FIRS), Mohammed Nami, has tasked management staff of the Service to put on their thinking caps to generate ideas and map out sustainable strategies to attain the goals of the Service.

The Executive Chairman who addressed the management staff at FIRS 2022 Corporate Retreat, Holding at Eko Hotel, Lagos, in his welcome remarks said he has set out 5 Cs as a behavioural guide and expectation for the retreat.

The 5Cs, include Communication; Camaraderie; Cooperation; Coordination and Capacity.

Nami said is the desire of management that the retreat would create bridges of communication among the members of staff here present and represented, as this would make discussion, sharing of ideas, and development of strategies for the Service much easier.

"Effective communication cannot be overemphasised in the internal management of any organisation. While we regroup and rediscover our passion for Service at this retreat, I also expect that stronger bonds of cooperation and camaraderie will be forged, to engender a friendly and harmonious working environment.

"It is important that we recognise the necessity of interdependence as an institution. No department, unit or function can get its work done without interacting with the other. Our efficiency and effectiveness are hinged on healthy cooperation among ourselves. I am of the strong belief that this is one of the goals we will achieve by the end of this retreat.

"Management intends to use the feedback we receive here as a stepping stone to achieving better coordination in the way and manner the Service operates. The strategies we design here will also be underpinned by our objectives of rebuilding the institutional framework of the Service, making it a customer-centric and data-centric institution and improving our relations with stakeholders.

"I urge each of us present to take this retreat as a place of education. Let us be open-minded, ready to learn, unlearn and re-learn, to engage purposefully, and share knowledge. This is key to developing the cutting-edge capacity that we need to face the challenges ahead.

"Our time spent here and the activities we engage in will be incomplete, if we do not take out time to recognize and reward passionate, responsible and hardworking staff who have distinguished themselves by their diligent service to the Nation at the FIRS. Management will continue to recognize and reward hardwork and commitment because we believe that this serves as a morale booster and motivation for other staff to do better, knowing that their efforts and commitment will not go unnoticed or unappreciated. To those who will be receiving such recognition and awards, I say congratulations and please keep it up.

"Our hope and desire is to leave this venue a stronger, more efficient, more effective, more passionate, more resilient, better equipped and closely knitted team, readier than ever to deliver on our mandate, our goals and our objectives," he summed.

Mohammed Nami, Executive Chairman, Federal Inland Revenue Service (FIRS)

He said the occasion is for the management staff and other heads of functions of the Service, to review successes so far and identify areas of possible improvement for higher output.

He commended the efforts of each and every one of workers of the Service for the feat attained last year. "You all made it possible. I am grateful for your support and say a big thank you. Of a truth, we are greater together. Hopefully, our past accomplishments will inspire us as we set goals for the Service and strategize on how to build the needed capacity to achieve the set goals," he noted.

He said an event like this is best maximised by bringing all relevant internal stakeholders together, to reflect and motivate one another, as well as streamline the individual strengths of members towards achieving shared objectives.

"As we reflect on our work, we will be guided by our mandate, to identify ways of improving service delivery to taxpayers, and in the course of our interactions, I expect that not only will we point out challenges but we will in turn proffer solutions to them and put forward the best ideas that will ensure the continued evolution of the Service into a most efficient and effective tax administration that maximises tax revenue collection."

FIRS Contributed N513.522bn, Highest Revenue To FAAC In March, Nami Says

By Ahmed Ahmed

Executive Chairman, Federal Inland Revenue Service (FIRS), Mr. Muhammad Nami, has declared that the agency is the highest contributor to Federation Accounts Allocation Committee (FAAC), shared among three tiers of government in the month of March 2022.

Nami said out a total sum from all revenue agencies of N803.072 billion, tax revenue contributed by FIRS was N513.522 billion, about 63.94 percent.

According to him, non-tax revenue (all other agencies) stood at N289.55 billion (36.06 percent)

The Executive Chairman recalled that average tax of FIRS contribution to FAAC in 2021 was 59.45 percent.

Speaking at the second National Tax Dialogue, tagged 'Tax Harmonisation for Enhanced Revenue Generation', Nami promised that the trend where taxation will be the biggest earner of revenue for the nation is set to continue for some time to come. "As such, all hands must be on deck to support the tax system and make it function efficiently," he said.

He said despite the COVID-19 pandemic which crumbled world economy in 2021, the Service was able to record revenue collection of N6.4 trillion.

"2021 was a year that the whole world continued to battle a devastating global pandemic which affected economic growth and disrupted business; yet, the FIRS was able to record an unprecedented feat in tax revenue generation. The Service surpassed its target and collected N6.4 trillion, the highest collection ever in the history of the FIRS. This feat was largely made possible by the cooperation of all stakeholders and use of technology which anchored our operations. Our tax system can do much more provided policies, laws, administrative processes and practices are harmonised to function as one."

He urged President Muhammadu Buhari to step-in to dissuade political tax gladiators to sheath their swords from making taxation a political issue. "Tax revenue is an inherently apolitical issue; it should be treated as such by all, irrespective of their political leaning."

He said that the world had begun a tax race of which Nigeria must be a winner, saying the revenue profile of the country in 2021 has clearly shown that Nigeria's continued survival as a nation depends on tax revenue.

He noted that the 2021 edition of the Tax Dialogue, a platform is for building national consensus on the direction of taxation and tax practice in Nigeria, was a revolution in the history of taxation in the country.

To him it was the first time that experts of different fields converged to discuss taxation; brilliant ideas were provided to policy-makers, parliament and tax authorities, and those ideas were promptly used to enrich our tax system.

According to him, the directive by the President for unfettered integration of the data processing systems and databases of government agencies with that of FIRS contributed greatly in improving tax administration; and laid the foundation for improved data sharing and exchange of tax information among tax authorities across levels of government in Nigeria.

"We sincerely thank Mr. President for his directive to government agencies to enable FIRS connect to their ICT systems; this singular pronouncement softened the grounds for the Service to roll-out its system. We are confident that by the time all the agencies achieve 100 percent compliance with the President's directive, Nigeria shall be the envy of other countries for tax compliance and domestic tax revenue mobilisation. We will continue to bank on the cooperation of all the agencies as they open their systems to the Service for seamless acquisition of tax data."

He said the tax dialogue is imperative in view of the fact that despite the nation's 38 tax authorities, several tax laws and numerous taxes or levies, majority of the tax paying public still remain outside the tax net, adding that the tax-dodgers found it convenient to meander among the competing revenue agencies escaping their tax obligations. The result, he said, is suboptimal revenue generation at all tiers of government.

"It is our expectation that this second edition of the tax dialogue will achieve a lot more for tax administration in Nigeria.

He commended the President for his continued support towards making taxation the pivot of development and economic growth in Nigeria and also the Honourable Minister of Finance, Budget and National Planning, Mrs. Zainab Shamsuna Ahmed and her team, the legislators, ministries, departments and agencies of government, who have been of great support to the Service.

NEWS IN PICTURE

The Honourable Minister of Finance, Budget and National Planning, Mrs. Zainab Shamsuna Ahmed, in company of Dr. Gilbert Ibezim, Deputy Governor, Anambra State, Mallam Farouk Gumel, Chairman Nigeria Sovereign Investment Authority (NSIA), Mr. Uche Orji, Chief Executive Officer, NSIA, and other dignitaries on an inspection of Second Niger Bridge in South East Nigeria.

NEWS IN PICTURE

2ND ANNUAL NATIONAL TAX DIALOGUE

FIRS FEDERAL INLAND REVENUE SERVICE

FEDERAL INLAND REVENUE SERVICE 15 SOKODE CRESCENT, WUSE ZONE 5, P.M.B 33, GARKI, ABUJA, NIGERIA

KEY CHANGES TO TAX LAWS INTRODUCED BY 2021 FINANCE ACT

A. Capital Gains Tax Act (CGTA)

1. Capital gains from the disposal of stocks and shares in Nigerian companies, for aggregate proceed amounting to Woo million or more in any period of consecutive months, is liable to CGT at 10% where the proceeds have not been reinvested within the same year of assessment in the acquisition of shares in the same or other Nigerian Companies [Section 30(2) CGTA].

B. Companies Income Tax Act (CITA)

2. Profits of companies engaged in educational activities now liable to tax due to the removal of educational activities from the exempt provisions of Section 23(1)(c) of CITA.

3. The profits of companies from the exports of goods produced in Upstream. Midstream and Downstream Petroleum operations are liable to tax as clarified in section 23(1)(q) of CITA.

4. Non-resident companies liable to tax on profits arising from providing digital goods or services to Nigerian customers under the Significant Economic Presence (SEP) Rule may be assessed on fair and reasonable percentage of their turnover in the event that there is no assessable profit, the assessable profit is less than what is to be expected from that type of trade or business, or the assessable profit cannot be ascertained **[Section 3o (1)(b)(iia) of CITA].**

5. Capital allowance on qualifying capital expenditure incurred in generating tax-exempt income is not deductible from the assessable profits arising from income not exempt from tax under CITA. Capital allowances accruing in respect of QCE employed for both taxable and tax-exempt income shall be pro-rated where the tax-exempt income constitutes more than 2o% of the total income of the company **[section 31(1A) (1B) of CITA].**

6. Capital allowance on qualifying capital expenditure incurred by small companies are deemed utilised during the periods such companies are tax-exempt **[section 31(1C) of CITA).**

7. Minimum tax rate is reduced from 0.5% to 0.25% for any two consecutive :v.,'counting periods falling on 1 January 2019 to 31 December 2021, as may be elecLA by thetaxpayer **[Section 33 of CITA].**

8. A company engaged in a trade or business of gas utilisation in downstream operations in Nigeria is entitled to a tax-free period, with respect of that trade or business, only once in its lifetime: additional investment, reorganisation or other forms of corporate restructuring shall not qualify it for further incentive. The company will also not be entitled to similar incentive under any other sections of CITA or other law **[Section 39(1)(a) of CITA].**

9. Any company that claims the reduced 0.25% rate under the minimum tax rule in section 33 of CITA but filed its tax returns late is liable to penalty that is equal to the benefits or reduction claimed **[Section 55 of CITA]**.

10. Taxpayers may pay tax due in instalments provided that the final instalment shalt be paid on or before the due date of payment **[Section 77 of CITA].**

11. WHT deducted from payments to a Unit Trust shall be the final tax on such income provided the said deduction is fully remitted to FIRS [Section 78(4) of CITA].

C. Tertiary Education Trust Fund Act (TETFA)

12. The rate of tertiary education tax has been changed from 2% of assessable profits to 2.5% of assessable profits [Section 1 of TETFA].

D. National Agency for Science and Engineering Infrastructure (NASENI) Act

13. Companies engaged in the business of banking, mobile telecommunication, ICT, aviation, maritime and oil and gas with turnover of Nino million and above, are liable to pay NASENI Levy at 0.25% of their profits before tax and the tax is to be administered by FIRS **[section 20 of NASENI Act].**

E. Nigeria Police Trust Fund (Establishment) Act

14. FIRS is vested with the duty to assess, collect, account and enforce the payment of the Nigeria Police Trust Fund Levy. The levy is 0.005% of the net profit of companies operating business in Nigeria as provided under Section 4 of the Nigeria Police Trust Fund (Establishment) Act.

F. Value Added Tax Act (VATA)

15. Non-Resident Suppliers of taxable goods or service, to Nigeria, or any other person appointed by the Service to collect tax under the VAI Act have statutory obligation to collect the tax and remit same to the Service **[section to of VATA]**.

16. Companies engaged in Upstream Petroleum operations will continue to have obligation to withhold VAT, even when they have not commenced commercial operations or have not reached N25 million turnover **[Section 15 of VATA].**

G. Federal Inland Revenue Service (Establishment) Act (FIRSEA)

17. Any person who fails to grant FIRS access to its information processing systems to deploy its automated tax administration technology after a 30 days' notice, or such extension granted by the Service, is liable to a penalty of N25,000 for each day it continues to fail to grant the access [Section 25 (4B) of FIRSEM.

18. Any bank that fails to prepare and submit quarterly returns of new accounts or any information requested by the relevant tax authority, or submit incorrect returns or information, under section 28 of FIRSEA or sections 47 and 49 of PITA, is liable to a penalty of Nim for each quarterly return or information not provided or incorrect returns or information provided.

19. Any person employed in the Service or otherwise that has access to taxpayeinrformation is under a strict legal obligation to keep such information confideLnetaiakl.ages of taxpayer information by such person is liable to fine, imprisobnomteh nfit noe rand imprisonment **[Section 50 of FIRSEA].**

20. It is an offence, punishable by a fine ofNiom, imprisonment or both, for any agency of the Federal Government (other than FIRS) or any of their staff or consultant, to a demand for books or returns for the purposes of tax, or carry out the function of assessment, collection or enforcement of tax, or pay any portion of tax revenue to any portion of tax revenue to any person or into any account, other than the relevant accounts designated by the constitution or relevant laws of the NationalAssembly **[Section 68(3) of FIRSEA]**.

21. Other Agencies of the Federal Government are under statutory obligation to report cases requiring tax investigation, enforcement or compliance, encountered in the course of performing their function, to the Service for necessary action; they are forbidden from carrying out tax monitoring, audit or investigation **[Section 68(5) of FIRSEA]**

All enquiries on any aspect of this publication should be directed to the office of:

Executive Chairman, Federal Inland Revenue Service, Revenue House, No. 15 Sokode Crescent, Wuse Zone 5, Abuja	or	Director Tax Policy & Advisory Department, Revenue House, Annex 4 No. 12 Sokode Crescent, Wuse Zone 5, Abuja.

E-mail: enquiries@firs.gov.ng; tpld@firs.gov.ng
Telephones: 09074444441, 09074444442, 09072111111, 09073777777

Federal Govt Plans N720bn Domestic Borrowing In Q2 – DMO

By Simon Kolade

The federal government is planning to borrow N720 billion from the domestic market in this second quarter, 2022.

This was revealed by the Debt Management Office (DMO) in the "FGN Bonds Issuance Calendar for the Second Quarter, 2022" schedule released in the office recently.

The calendar shows that, on April 25, the DMO would open a new, 2032 FGN bond, valued at between N70billion and N80billion, with a tenor of 10 years.

It has an interest rate of 13 per cent per annum.

Also on April 25, the DMO will re-open a 2025, two-years, 11 months FGN bond valued, at between N70billlion and N80billion.

It has an interest rate of 13.53 percent, with original tenor of seven years.

The DMO will also re-open a 2042 FGN bond on the same date, valued at between N70billion and N80billion.

May 16 will witness the re-opening of a 2025, two years, 10 months FGN bond, valued at between N70billion and N80billion.

It has an interest rate of 13.53 percent per annum, with original tenor of seven years.

On the same date, it will offer a new, 2032 FGN bond valued at between N70billion and N80billion.

It has a tenor of nine years, 11 months, and an interest rate of 13 percent.

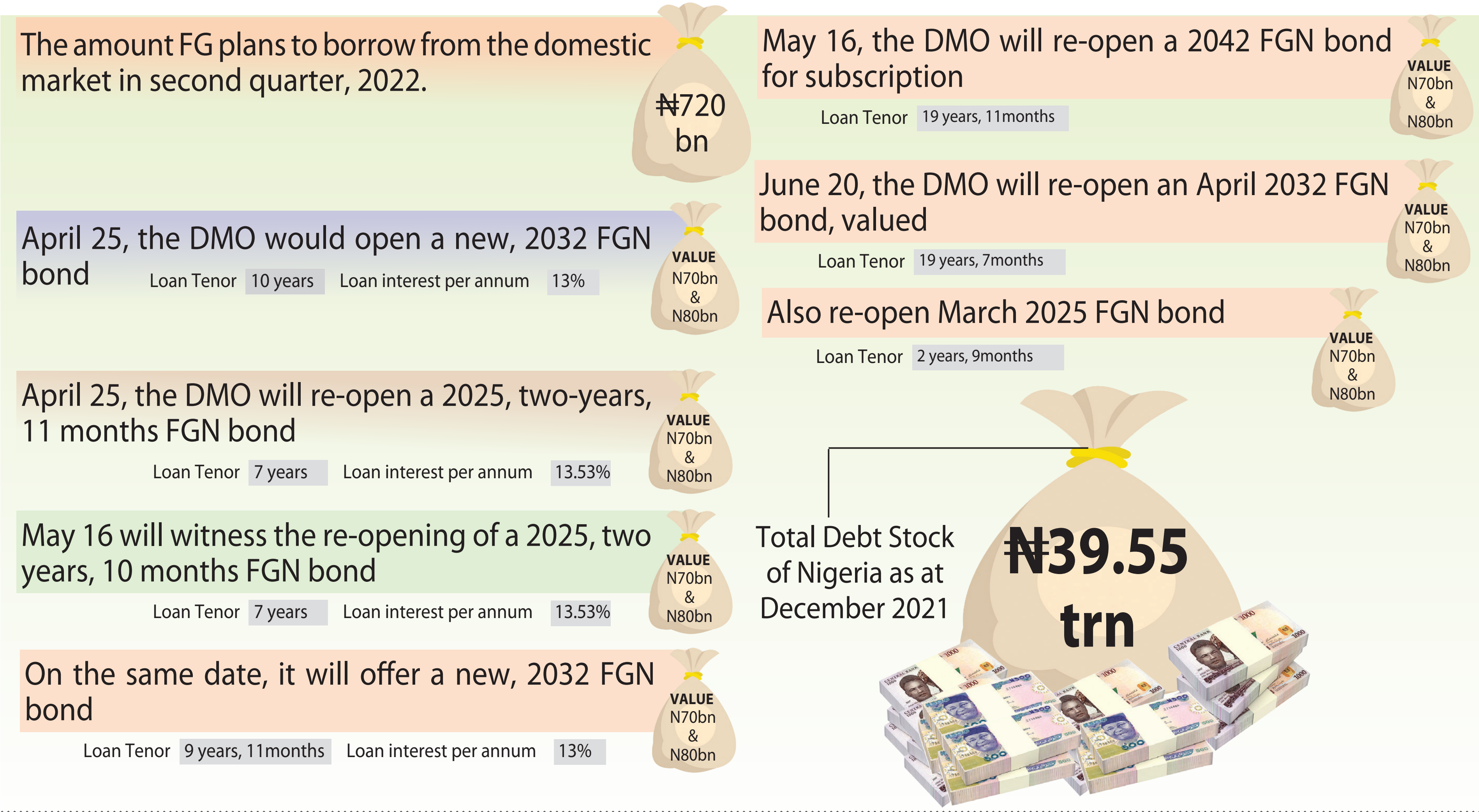
Also on May 16, the DMO will re-open a 2042 FGN bond for subscription, valued at between N70billion and N80billion, with a tenor of 19 years, eight months.

On June 20, the DMO will re-open an April 2032 FGN bond, valued at between N70billion and N80billion, with 19 years, seven months tenor.

It would also re-open March 2025 FGN bond, valued at between N70billion and N80billion, with two years, nine months tenor.

Also, June 20 will witness the re-opening of a 2042 FGN bond, valued at between N70billion and N80billion.

The DMO had earlier revealed that the total debt stock of Nigeria as at December 2021 was N39.55trillion.



FIRS Urges Tax Payers To Utilise New Tax Payment Platform, TaxPro Max

By Felix Omoh-Asun

The Federal Inland Revenue Service (FIRS) has called on tax payers to utilise its new Tax Administration Solution platform (TaxPro-Max) to promptly pay their taxes.

Following the provisions of the Finance Act 2020 which empowers the FIRS to automate tax return filing and payment processes, the FIRS introduced the TaxProMax application.

The application is a one-stop, online tax administration platform for the management of tax processes. It offers taxpayers the opportunity to register, file returns, remit taxes, carry out assessments and keep track of tax obligations.

The platform also offers tax payers management of withholding tax deductions, management of capital allowance and loss, download tax clearance certificate and communicate with the FIRS on tax issues, among other things.

The application portal was opened on 7th of June, 2021 for filing of all naira denominated taxes.

The FIRS therefore called on the tax paying public to fulfil their tax obligations using this portal. Of particular reference are companies that have 31st December accounting dates whose returns fall due on 30th June 2021.

Due to the glitches experienced with registration and usage of the portal by taxpayers, the deadline for filing of returns was extended to 31st July 2021 instead of the statutory 30th of June 2021 without the obligation to pay penalty and interest for late filing.

Taxpayers can access the portal by registering after which they must input their log-in details in order to file returns. Upon filing the returns, a Document Identity Number (DIN) will be generated. The DIN is mandatory in order to remit taxes via the portal. The portal can be used to file returns by taxpayers or their approved agents.

Tax payers who want to file returns in hard copy may visit the local tax offices where staff of the FIRS will be on hand to upload the documents to the portal. However, this should be done at least 2 weeks before the deadline.

Mr. Hassan Sule, FIRS Coordinator in the states of Kano, Jigawa and Katsina, gave the advice shortly after a road walk to mark the agency's Tax Payers Week recently in Kano.

The coordinator stressed that the new tax payment platform was designed to ease tax compliance and modernise tax administration in the country.

Mr. Sule said that the exercise was organised to sensitise tax payers on the fact that FIRS was capable, willing and able to discharge its responsibilities effectively and efficiently.

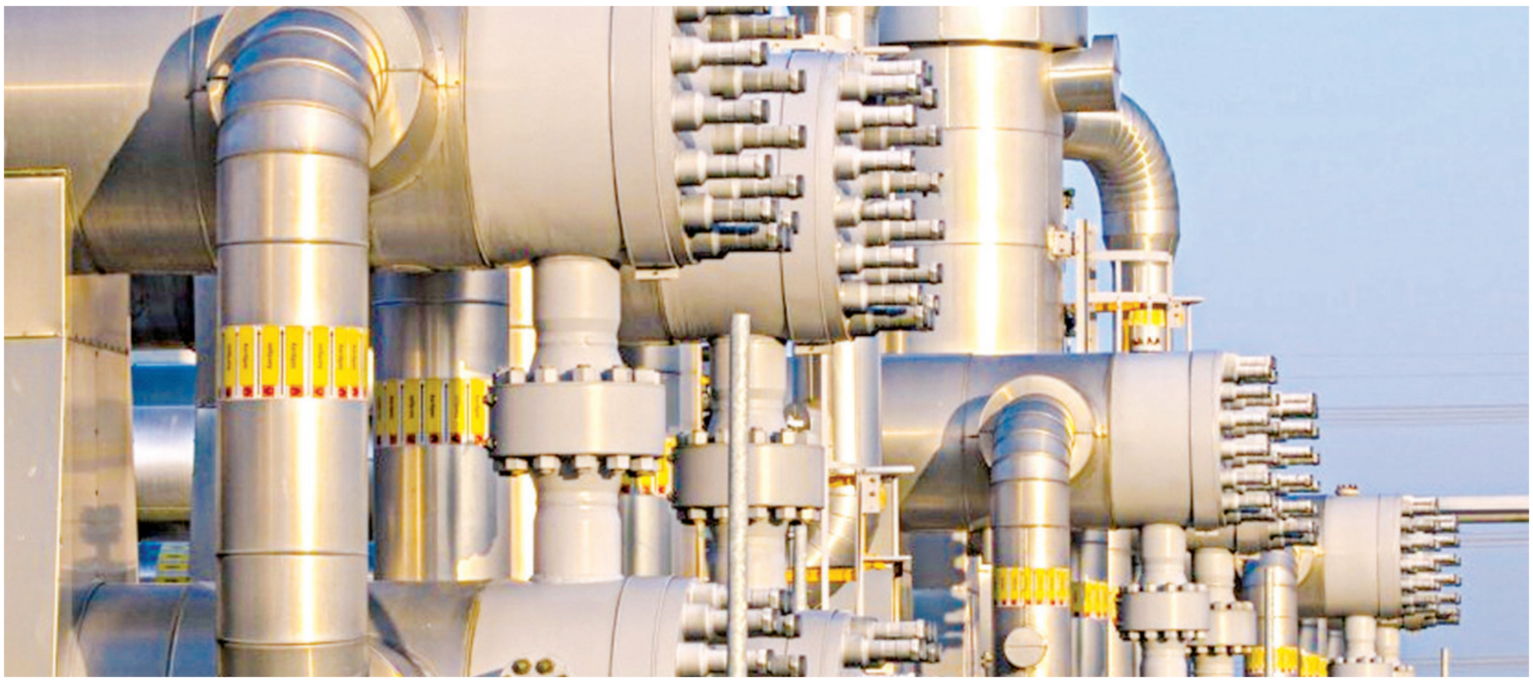
He said that the FIRS officials also talked to tax payers on other tax issues including compliance and registration during the road walk tax sensitisation exercise.

The coordinator explained that taxes were collected to provide social amenities including roads and hospitals that would enhance lives, as well as sustain the nation.

Experts Urge FG To Speed Up Transition To Gas Economy

• As NNPC Declares 203 Trillion-Cubit Gas Deposit In Nigeria

By Musa Ibrahim



Experts in the oil and gas sector have urged the federal government to speed up the Nigeria's energy transition to gas which is cleaner and more efficient.

They made this submission at Domestic Gas Summit 2022 which held recently in Abuja with the theme, 'Building a Sustainable Gas Economy' initiated by the Energy Trade Group of the Abuja Chamber of Commerce and Industry (ACCI).

In his remarks, President of ACCI, Dr. Almujtaba Abubakar, said that the summit was important because gas has become an important area of focus that must be given attention by stakeholders across the various government and business spectrum.

"As you all know, gas has been identified as the energy of choice across board because it is cleaner, greener and safer. The movement for energy transition is considered to be a global ideal. Within the context to save the planet movement, countries in Africa are working to device appropriate responses to explore gas as the alternative to energy. Across African capitals, the debate is on, as to what energy transition should mean for the peculiarities of each country.

"The need to diversify and consider gas above all becomes necessary due to its benefits economically, domestically and otherwise. The carbon reduction pledge made under the Paris agreement must be complied with. Unlike other countries without sustainable alternatives, Nigeria has an option and that is gas, a cleaner, green energy source," he said.

He commended President Muhammadu Buhari for crafting a gas agenda which has now become the Nigerian response to the energy transition question.

In his remarks, Managing Director (MD), Nigerian Gas Company, Engr. Seyi Omotowa, said that the theme of the event was crucial especially with the declaration of decade of gas by the President.

"Nigeria is leveraging on its huge gas economy and the government is walking the talk with resulting investment such as the Nigeria LNG 27 and the AKK gas Pipeline.

"The Nigerian Gas Company's efforts is to supply gas for domestic and international consumptions, and we have operations across 12 states covering over 2,000 kilometers.

"The company's effort is to produce 5bcf of gas consumption per day and multiply effect of gas usage while partnering with different gas companies like AMA Gas Company," he added.

Tolulope Longe, representing the Nigeria LNG, said that the decade of gas declared by the president was to ensure that Nigeria becomes a gas economy.

She said that Nigeria must tap into its huge gas potentials to improve its local and domestic investments.

She also said that overtime, the NLNG has dedicated its production to meet domestic demand.

"When the NLNG was established, most of the products were largely for exports. But from 2007, the NLNG started supplying to the domestic of market, and as at 2022, every single drop of LPG is being supplied to the domestic market to show our commitment to the decade of gas.

"However, we recognise that the concerns of average Nigerian are different and as digitisation takes over, we have more demand for power. We believe that gas is cleaner and cheaper in Nigeria. In Enugu, coal is wasting because we fail to tap into it, and the same can happen to oil and gas if we fail to do the needful, because it is not what you have but what you do with what you have.

"So, therefore, we are committed to ensuring that the transition to gas happens," she further stated.

Also in a remark, Prof. Adesoji Adesugba, Managing Director (MD) of Nigeria Export Processing Zones Authority (NEPZA), noted that 3,000 industrial city and free zones scheme was deployed by China to attract investment and that is clearly government's efforts and initiatives when they established NEPZA.

He said: "The President Buhari's administration will be launching six free zones with a medical free zone in Lagos, agriculture free zones in Ilorin and Funtua are already on the way."

Also, he said: "Construction of three free zones is ongoing in Delta, Sokoto and Taraba states."

Prof. Adesugba, however, stated that aside from free trade zones, in the nearest future, NEPZA wants to invest in muti- billion-naira free trade zones and the agency wants to bring more technology and innovations into the free trade zones.

The federal government through the Nigerian National Petroleum Company (NNPC) Ltd is planning massive investments in pipeline infrastructure that will deliver gas from Nigeria to Europe through the North African region.

The Group Managing Director (GMD) of NNPC, Mele Kyari, disclosed this on Monday during the Atlantic Council Global Energy forum held in the United Arab Emirates (UAE).

Kyari, who spoke virtually on the 'Role of gas in the energy transition', said that the country's energy poverty can be taken care of through massive investment in gas infrastructure.

Nigeria is committed to net zero carbon emission by 2060 and the federal government has chosen gas as its transition fuel.

Europe is currently planning to cut two- thirds of its dependence on Russia's gas this year.

Kyari said: "So, what we are doing is some kind of replacement such that we move from the dirtier fuel to cleaner fuel which is gas. And what we had to do is to build enormous gas infrastructure required to ensure that there is sufficient supply of gas into the domestic market and provide some for the international market.

"And more than that, within the West African context, you will see that energy inefficiency and poverty that you see in Nigeria is also in many West African countries around us.

"Therefore, we are trying to see how we can build a network of pipeline infrastructure that will deliver gas and potentially to jump into Europe through Morocco or through Algeria. This is what we are working on."

The drive for massive gas investment received a boost when President Muhammadu Buhari on 16th August, 2021 signed the Petroleum Industry Act (PIA).

Nigeria has 203 trillion-cubit gas deposit and the NNPC Ltd in 2020 embarked on massive gas pipelines project, through the National Gas Expansion Programme.

The National oil company is also making concerted efforts in the gas sector through various projects such as the NLNG Train 7, Ajaokuta–Kaduna–Kano Natural Gas Pipeline, Obiafu-Obrikom-Oben Gas Pipeline (OB3) and the Escravos–Lagos Pipeline System (ELPS).

Kyari told the Atlantic Council that Nigeria's 203 trillion-cubit gas resources will be enough to cover the West African region and other parts of the world.

According to the NNPC boss, the country would experience population growth of 307 million people by 2047, stating that this may trigger more energy poverty if measures are not put in place to boost energy security.

He said that at the current population of over 200 million people, Nigeria has a huge gap in terms of energy accessibility and a disparity between the rich and the poor.

As part of the infrastructure to boost the gas transition, Kyari said that the country is moving its energy sources from thermal sources to other sources of energy.

"You do need about 7Gigawatts of energy from renewables every year to close this gap as we go forward.

"We are working toward that direction. But more than that, you know, in terms of our supply of energy in our country today, 70 percent of energy, electricity for instance, is coming from thermal sources and these thermal sources, particularly in our country today, are not coming from gas. Majority of them are coming from fuel oil and other dirtier fuel," he added.

Kyari also lamented the impact of carbon emission on the country's climate, noting that the felling of trees for charcoal as cooking fuel has a negative impact on the environment.

The GMD said: "What this means to us is that desertification is real. As we speak today, majority of our country people use charcoal as cooking fuel and that means you must find a replacement for this and the replacement for this is typically using liquefied petroleum gas (LPG) or compressed natural gas (CNG). Anyhow you look at it, you must have an immediate replacement over a period of time.

"As we speak today, the desert encroaches south-ward in our country by three to four kilometers every year. This is nothing other than the effect of climate change.

"Of course, you may naturally know the effect of cutting down trees is far more than what the internal combustion vehicles do. In our country today, mass transportation is very weak, the only way you can reduce the number of internal combustion engines is to increase those infrastructures."

Nigeria is pursuing energy transition in order to promote economic growth and is gradually investing in renewable energies, primarily solar, in order to reduce carbon emissions while continuing to exploit hydrocarbon resources, especially natural gas – the energy transition fuel for Nigeria.

To this end, Minister of State for Petroleum Resources, Mr. Timiprye Silva, stated: "Nigeria's goal should be energy sufficiency in order to ensure energy security, and end the ravaging energy poverty in the country.

"This is required to drive our economic growth, and end the prevailing economic poverty. Nigeria needs affordable, reliable and sustainable energy resources to eradicate the prevalent energy poverty in the shortest time possible, and propel economic growth."

Sylva explained that countries like Nigeria, which is rich in natural resources but still energy poor, must not follow energy transition plans at the expense of affordable and reliable energy for people, cities, and industries.

"The risk of limited international financing could jeopardise Nigeria's energy transition and roadmap to attaining net-zero. We have seen policies and pronouncements at governmental and corporate levels aimed at discouraging investment in fossil fuels. We have seen decisions by some international oil companies (IOCs) to reduce or outrightly stop long-term investments in upstream projects and development of new technologies for exploration, production and processing of crude oil, or servicing the existing technologies," he added.

NDIC

Nigeria Deposit Insurance Corporation

Protecting your bank deposits

The Nigeria Deposit Insurance Corporation (NDIC) is an agency of government of the Federal Republic of Nigeria. It was established in 1988 and is responsible for administering deposit insurance in the country. It protects depositors and guarantees payment of insured funds in the event of failure of an insured licenced deposit-taking financial institution, thereby helping to maintain stability in the financial system.

The NDIC's Public Policy Objectives (PPOs) are: To Protect depositors by providing an orderly means of compensation in the event of failure of an insured financial institution; Enhance public confidence by providing a framework for the resolution and orderly exit of failing and failed financial institutions; and Contribute to financial system stability by making incidence of bank runs less likely. The NDIC had achieved these PPOs through the implementation of its following Mandates:

DEPOSIT GUARANTEE

Insurance of deposit liabilities of licensed deposit-taking financial institutions (banks) and guaranteeing payment to a maximum amount as stipulated in the NDIC Act, in the event of failure of a licensed financial institution. Thus, the sum of N500,000.00 or US$1,613 is paid to each depositor of Deposit Money Bank, Primary Mortgage Bank and Non-Interest Bank while the sum of N200,000.00 or US$645 is paid to each depositor of a Micro-Finance Bank;

BANK SUPERVISION

Supervision of banks to reduce the potential risk of failure, ensure effective payment system and healthy competition in the banking system; hence contributing to financial system stability;

DISTRESS RESOLUTION

Provision of financial and technical assistance to failing or distressed eligible insured institutions, in the interest of depositors; and

BANK LIQUIDATION

Orderly and efficient closure of failed institutions with minimal disruption to the banking and payment system.

NDIC's activities over the years had contributed to the development of the Nigerian economy through the promotion of soundness and safety of the banking system thereby enhancing confidence in the country's financial system.

More adult Nigerians now have access to formal financial services and are deriving numerous benefits through access to savings, credits, insurance and pension. NDIC, in collaboration with other Safety-net Players such as the Central Bank of Nigiera (CBN), has contributed to reducing the percentage of adult Nigerians that do not have acess to financial services from 46.30% in 2010 to 39.50% in 2014 (EFInA Financial Inclusion Study, 2014) in line with the Financial Inclusion policy of the Federal Government.

NDIC is also involved in social and developmental endeavours. Over the years, it has supported many community-based projects. Most of the projects were in the areas of Education and Human Capital Development.

"ENGENDERING CONFIDENCE IN THE BANKING SYSTEM, PROMOTING FINANCIAL INCLUSION AND EXCELLENT IN CORPORATE SOCIAL RESONSIBILITY ACTIVITIES TOWARDS SUSTAINABLE DEVELOPMENT IN NIGERIA"

OUR CORE MANDATES

- → Deposit Guarantee
- → Bank Supervision
- → Distress Resolution
- → Bank Liquidation

SDGs Remain Cardinal To Attainment Of Economic Cooperation Among Governments Globally - Osinbajo

By Fatimah Bintu Yusuf

The Sustainable Development Goals (SDGs) had remained cardinal to the attainment of robust economic cooperation among governments globally particularly in realisation of the decade of action for SDGs as defined by the United Nations (UN), according to Prof. Yemi Osinbajo, Vice President of Nigeria.

Saying this in his keynote address at the African Union Continental workshop on Africa's Voluntary National Reviews for the 2022 High Level Political Forum (HLPF) And Domestication of Agenda 2063, recently in Abuja, the Vice President also said: "It is obvious that Agenda 2063 is Africa's blueprint and master plan for transforming Africa into the global powerhouse of the future as well as the continent's strategic framework that aims to deliver on its goal for inclusive and sustainable development."

Prof. Osinbajo, who was represented by Mrs. Zainab Ahmed, Honourable Minister of Finance, Budget and National Planning, also said that the Agenda 2063 is a concrete manifestation of the Pan-African drive for unity, self-determination, freedom, progress and collective prosperity pursued under Pan-Africanism and African Renaissance.

In his words: "The genesis of Agenda 2063 was the realisation by African leaders that there was a need to refocus and reprioritise Africa's agenda from the struggle against apartheid and the attainment of political independence for the continent, it is also an arrangement that prioritise inclusive social and economic development, continental and regional integration, democratic governance, peace and security among other issues. The objective of which is to reposition Africa to becoming a dominant player in the global arena."

Mrs. Zainab Ahmed, Hon Minister of Finance, Budget And National Planning.

Making reference to 2030 Agenda for sustainable development, Prof. Osinbajo said: "As you may be aware, the 2030 Agenda for sustainable development adopted by all UN member states in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which are an urgent call for action by all countries, both developed and developing in a global partnership."

This, according to him, is "to recognise that ending poverty and other deprivations must go hand in hand with strategies that improve health and education, reduce inequality, and spur economic growth while tackling climate change and working to preserve our oceans and forest.

Still on SDGs, Prof. Osinbajo further said that the SDGs had remained cardinal to the attainment of robust economic cooperation among governments globally particularly in realisation of the decade of action for SDGs as defined by the UN. "You will agree with me that the strategic partnership embedded in the SDGs has availed Nigeria a huge implementation context due to its large population, landmass and ethnic diversity.

"To achieve the SDGs and its effective implementation, Nigeria has established six SDGs innovation hubs, one in each geo-political zone; this provides an opportunity for states to leverage and dialogue with all relevant stakeholders to accelerate innovative solutions, prioritising social protection as a tool to overcome the bottlenecks and expanding financing options to accelerate the achievement of SDGs in Nigeria.

"Since the adoption of the African Union (AU) Agenda 2063 and the UN Agenda 2030, the Nigerian government has embarked upon a process of domesticating these agendas at the national and sub-national levels. Interestingly, the new National Development Plan (NDP) 2021-2025 has strategies that aim at achieving the targets set under each of the goals in both Agendas," he disclosed.

Prof. Osinbajo stated that the capacities of policymakers are being strengthened to ensure their implementation in an integrated and coherent manner in order to facilitate an inclusive implementation processes across all relevant sectors.

According to him, the government of Nigeria has been proactive in addressing the effects of COVID-19 Pandemic. He assured that Nigeria has attained a landmark even in the midst of the slowdown of economic activities arising from the COVID-19 pandemic.

"In addressing the gaps created by the pandemic, the National Economic Recovery and Sustainability Plan of government was introduced to cushion some of the hard effects of the global meltdown. Other strides achieved in the country included the efforts at improving food security and nutrition through a multi sectoral plan for food and nutrition.

He said that the medium-term National Development Plan 2021-2025 has been launched and is in the public domain while the long-term National Development Plan tagged Nigeria Agenda 2050 is in the process of completion.

"We have also developed national pathways for food system transformation for Nigeria which is an outcome of an exploratory dialogue conducted in Nigeria as recommended by the Secretary-General of the UN that countries should dialogue to identify the challenges facing food from the farm to the dining table.

The objective, according to him, was to accelerate the achievements of the SDGs since year 2021-2030 is recognised as decade of action for accelerating the achievement of SDGs.

He acknowledged that the workshop would provide AU member states with the opportunity to prepare for voluntary national reviews and voluntary local reviews for the 2022 high level political forum towards bouncing back better from the COVID-19 while advancing the full implementation of the 2030 Agenda for sustainable development, alongside enhanced reporting on AU Agenda 2063.

"I am of the belief that, this workshop will contribute to raising awareness on the progress made so far, gaps and challenges towards an integrated and coherent approach to the implementation, monitoring and evaluation of Agenda 2030," he also stated.

Customs Generates N51.6bn From Vehicle Import In 3 Months

...Approves Promotion Of 3,466 officers

By Adesanmi Adewumi

The Ports Terminal Multiservices Limited (PTML) command of the Nigeria Customs Service (NCS), yesterday, said it generated a total of N51.63billion from imported used and new vehicles between January to March 2022.

This is as 3,466 general duty and support staff officers were promoted to their next rank.

National public relations officer, DC Timi Bomodi, said the promotions were approved by the Nigeria Customs Service Board (NCSB), at its 54th Regular meeting on Tuesday 29th March, 2022. The command's public relations officer, Muhammad Yakubu, had earlier, said in a statement, that the sum collected for 2022 first quarter is 10.2 percent higher than what was collected last year.

According to him, N46.85billion was realised same period of 2021 showing an increase of N4.77billion in the months under review.

Yakubu, however, said, the customs area controller of the PTML Command, Compt. Festus Okun, lauded the feat and described it as evidence of productivity on the part of the officers and men despite operational challenges.

The comptroller stated further that the Command will always live up to its responsibilities of revenue collection, suppression of smuggling and trade facilitation.

He urged importers and their agents to maximise the quick clearance potentials of the Command by being compliant all the time through making of sincere declarations and obeying all extant rules as contained in the Customs and Excise Management Act, import and export prohibition lists, as well as other documents of instruction.

The CAC also urged officers to remain uncompromising in the discharge of their duties

while thanking them for their steadfastness and promotion of cordial relationship with stakeholders, even in the face of recent strike action over Vehicle Identification Number (VIN) valuation.

Okun also stated that, it is more expensive to be non-compliant as it could lead to seizures, arrests, detention, demand notices and penalties.

According to him, compliant traders enjoy timely and cost saving services from the NCS and other regulatory, security and intelligence agencies.

Comptroller Okun said: "We as a model port dealing more with Roll on Roll off (RoRo) cargoes. We have always maintained a standard of four-hour clearance time for compliant traders. I am urging all our importers and agents using PTML to take advantage of our seamless trade facilitation capacity.

Meanwhile, speaking on the promotions, Bomodi stated that the minister of Finance, Budget and National Planning who also double as the Chairman, NCS Board, Hajiya Zainab Ahmed, who presided over the meeting highlighted the importance of discipline and engendering work ethic based on transparency and an all-encompassing reward system.

The minister, however, commended NCS management for breaking new grounds in trade facilitation and revenue generation in the year 2021 and urged the newly promoted officers to redouble their efforts in achieving the goals of the service in the current year.

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Economy & Investment

ADVERT RATE

COLOUR

PRODUCT		
Size	Rate	Vat (7.5%)
F/P	557,916.68	41,843.76
H/P	316,462.50	23,734.68
Q/P	152,770.00	11,457.76
14.5x5	452,218.76	33,916.40
14.5x3	271,293.26	20,347.00
10x6	374,250.00	28,068.76
10x5	311,875.00	23,390.62
10x4	249,500.00	18,712.50
9x6	336,825.00	25,261.88
9x5	280,687.50	21,051.56
9x4	224,550.00	16,841.26
9x3	168,412.50	12,630.94
8x6	299,400.00	22,455.00
8x5	249,500.00	18,712.50
8x4	199,600.00	14,970.00
7x6	251,975.00	18,898.12
7x5	218,312.50	16,373.44
7x4	174,650.00	13,098.76
7x2	172,150.00	6,549.38
6x4	149,700.00	11,227.50
6x3	112,275.00	8,420.62
6x2	74,850.00	5,613.75
5x6	187,125.00	14,034.38
5x5	155,937.50	11,695.32
5x4	124,750.00	9,356.26
5x3	93,562.50	7,017.18
5x2	62,375.00	4,678.12
4x4	99,800.00	7,485.00
4x3	74,850.00	5,613.76
4x2	49,900.00	3,742.50
3x2	37,425.00	2,806.88
2x2	24,950.00	1,871.26
2x1	12,475.00	935.62
1x1	6,237.50	467.82

PUBLIC NOTICE POLITICAL		
Size	Rate	Vat (7.5%)
F/P	578,838.55	43,412.90
H/P	328,329.84	24,624.74
Q/P	158,498.88	11,887.42
14.5x5	234,558.65	35,183.80
14.5x3	284,858.44	21,364.38
10x6	388,303.80	29,122.78
10x5	323,586.50	24,268.98
10x4	258,869.20	19,415.20
9x6	349,473.42	26,210.50
9x5	291,227.85	21,842.08
9x4	232,982.28	17,473.68
9x3	174,736.70	13,105.26
8x6	310,643.04	23,298.22
8x5	258,869.20	19,415.20
8x4	207,095.36	15,532.16
7x6	271,812.66	20,385.94
7x5	226,510.55	16,988.30
7x4	181,208.44	13,590.64
7x2	90,604.22	6,795.32
6x4	155,321.52	11,649.12
6x3	116,491.14	8,736.84
6x2	77,660.76	5,824.56
5x6	194,151.90	14,561.40
5x5	161,793.24	12,134.50
5x4	129,434.60	9,707.60
5x3	97,075.95	7,280.70
5x2	64,717.30	4,853.80
4x4	103,547.66	7,766.08
4x3	77,660.74	5,824.56
4x2	51,773.84	3,883.04
3x2	38,830.38	2,912.28
2x2	25,886.92	1,941.52
2x1	12,943.46	970.76
1x1	6,471.72	485.38

BLACK AND WHITE

PRODUCT		
Size	Rate	Vat (7.5%)
F/P	366,792.56	27,509.44
H/P	198,423.18	14,881.74
Q/P	95,782.00	7,183.66
14.5x5	283,950.60	21,296.30
14.5x3	190,000.00	14,250.00
9x6	234,993.60	17,624.52
9x5	176,245.20	13,218.4
9x4	140,996.16	10,574.72
9x3	105,747.12	7,931.04
8x6	187,994.88	14,099.62
8x5	156,662.40	11,749.68
8x4	126,329.92	9,474.74
7x6	164,495.52	12,337.16
7x5	137,079.60	10,280.98
7x4	109,663.68	8,224.78
7x2	54,831.84	4,112.38
6x4	93,997.44	7,049.80
6x3	70,498.08	5,287.36
6x2	70,498.08	5,287.36
5x6	117,496.80	8,812.26
5x5	97,914.00	7,343.56
5x4	78,331.20	5,874.84
5x3	58,748.40	4,406.14
5x2	39,165.60	2,937.42
4x4	62,664.96	4,699.88
4x3	46,998.72	3,524.90
4x2	31,322.48	2,349.18
3x2	23,499.38	1,762.46
2x2	15,666.24	1,174.96
2x1	7,833.12	587.48
1x1	3,916.56	293.74

PUBLIC NOTICE POLITICAL		
Size	Rate	Vat (7.5%)
F/P	435,178.08	32,638.36
H/P	254,538.96	19,090.42
Q/P	131,226.90	9,842.02
14.5x5	38,040.56	2,853.04
14.5x3	232,825.87	17,461.94
10x6	319,512.00	23,963.40
10x5	266,260.00	19,969.50
10x4	213,006.00	15,975.46
9x6	287,560.80	21,567.06
9x5	239,634.00	17,972.56
9x4	191,707.20	14,378.04
9x3	143,780.40	10,783.54
8x6	255,609.60	19,170.72
8x5	213,008.00	15,975.60
8x4	170,406.40	12,780.48
7x6	223,658.00	16,774.36
7x5	186,382.00	13,978.66
7x4	149,105.60	11,182.92
7x2	74,552.80	5,591.46
6x4	127,804.80	9,585.36
6x3	95,853.60	7,189.02
6x2	63,902.40	4,792.68
5x6	159,756.00	11,981.70
5x5	133,130.00	9,984.76
5x4	106,504.00	7,987.80
5x3	79,878.00	5,990.86
5x2	53,252.00	3,993.90
4x4	85,203.20	6,390.24
4x3	83,902.40	6,292.68
4x2	42,601.60	3,195.12
3x2	31,951.20	2,396.34
2x2	21,300.80	1,597.56
2x1	10,650.40	798.78
1x1	5,325.20	399.40

SPECIAL POSITION	Rate	Vat (7.5%)
FPS 6x2	1,291,193.44	96,839.50
BPS 6x2	923,375.00	69,253.12
STRIP (FRONT) 2X6	1,322,912.50	99,218.44
STRIP (BACK) 2X6	1,037,500.00	77,812.50
STRIP (INSIDE) 2X6	218,460.38	16,384.52
EARPIECE (FRONT) 2X2	517,094.30	38,782.08
EARPIECE (BACK) 2X2	405,145.10	30,385.88
EARPIECE (INSIDE) 2X2	240,000.00	18,000.00
CENTERSPREAD (FULL)	3,320,000.00	249,000.00
CENTERSPREAD (HALF)	1,992,000.00	149,400.00
CENTERSPREAD (STRIP)	594,300.00	44,572.50
DOUBLESPREAD	2,982,952.00	223,721.40

WRAP	Rate	Vat (7.5%)
FULL WRAP	41,500,000.00	3,112,500.00
10 X 6	28,620,690.00	2,146,551.76
HALF PAGE (FRONT)	20,800,000.00	1,560,000.00
5X6 (FRONT)	14,312,344.00	1,073,425.80
4X6 (FRONT)	11,448,274.00	858,620.56
2X6 (UNDER MASTHEAD	7,262,500.00	544,687.50
2X6 (FRONT POLITICAL)	1,560,000.00	117,000.00

LOOSE INSERT	
RATE PER 1,000 SHEETS	60,000.00
HANDLING CHARGE (SINGLE)	1,000,000.00
HANDLING CHARGE (SINGLE)	1,000,000.00

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For Driving Export Growth, Abba Bello Gets A Deserved Re-Appointment

By Musa Ibrahim

Mr. Abubakar Abba Bello, Managing Director/Chief Executive Officer, Nigeria Export Import Bank (NEXIM)

To the admiration and commendation of industry players, President Muhammadu Buhari has approved the re-appointment of the Abba Bello-led Executive Management of the Nigeria Export-Import (NEXIM) Bank.

The announcement was contained in a statement by the Special Adviser, Media and Communications, to the Minister of Finance, Budget and National Planning, Mr. Yunusa Tanko Abdullahi, which says that the management team has a new five-year term to take effect from April 10, 2022.

The statement, dated March 31, 2022, said: "The re-appointment of the entire executive management of NEXIM Bank has been approved by President Muhammadu Buhari.

"The re-appointment follows the fact that the members of the current management of the bank were appointed on 10th April, 2017 and their first five-year term is due to expire on 9th April, 2022.

"Those involved in the re-appointment comprise Abba Bello, Managing Director and Chief Executive Officer, Bala Bello, Executive Director (Corporate Services), and Stella Erhuvwu Okotete, Executive Director (Business Development).

"Section 11(4) of the NEXIM Bank Act specifies that the Managing Director and the Executive Directors shall hold office for a period of five years and shall be eligible for re-appointment for a further period of five years.

"Accordingly, as the expiration of the first term drew near, it became necessary to appraise their performance since assumption of duties across the core mandate areas of the bank for the purpose of their re-appointment or otherwise.

"The outcome of the appraisal revealed that the current management team with the support of the board has performed as well as exemplified by key achievements.

"Evidently, the operating profit, previously in the negative (N8.030billion) at the inception of the current management, has increased to N3.825billion in 2021, and there is an improvement in returns on capital earnings from -15.31 in 2016 to 2.72 in 2021.

"There is a reduction in non-performing loans from 94 percent in 2017 to 29 percent as at December, 2021, and there is an increase in the total assets of the bank by approximately N136.132billion or about 222 percent from inception of the current management in 2017 to 31st December, 2021.

"There is an enhanced liquidity position of the bank through additional funding totallingN103.755billion from Central Bank of Nigeria (CBN), N3.936billion from Federal Ministry of Finance, US$50million from the Nigerian Content Development Management Board (NCDMB) and US$25million from the African Export-Import Bank.

"The NEXIM has also made high growth in recoveries from N40.780million in 2016, preceding the current management to an annual average recovery of N1.243billion between 2017 and 2020 and a total collection of N11.903billion for the five-year period.

"The bank has made the disbursement of a total sum of N144billion in loans to export-oriented entities in the non-oil sector while accounting for approximately US$375million as export proceeds within the period under review.

"The NEXIM bank has been ranked among the best three Development Finance Institutions (DFIs) and best five public institutions surveyed based on the Independent Corrupt Practices and Other Related Offences Commission (ICPC) Anti-corruption Assessment Criteria.

"In view of all the achievements, the current executive management team as constituted has turned around the fortunes of the bank and re-positioned it on the path of prosperity towards a better realisation of its mandate," the statement reads.

Changing The Narrative In Non-oil Export

According to the Nigeria's export trade data in the second quarter of 2021, crude oil accounted for N4.02 trillion while the non-crude oil was N1.10 trillion out of which non-oil exports component was just about N546.27 billion.

The total value of trade in agricultural goods in Q3 stood at N868.5 billion, the export component amounting to N79.4 billion and agricultural goods imports gulped N789.1 billion. Agricultural goods exports value was 5.9 percent lower than Q2 but 31 percent higher than Q3 2020, the NBS added.

On the other hand, the value of imported agricultural goods was 21.01 percent higher than the value recorded in Q2 and 56.74 percent higher than Q3 2020.

Notably, agricultural goods exports were driven by good fermented Nigerian cocoa beans worth N27.2 billion, of which N9.7 billion, N6.18 billion and N5.7 billion were exported to Indonesia, Malaysia, and the Netherlands respectively. The total value of trade in manufactured goods stood at N5.19 trillion in Q3 with the export component valued at N295.03billion while the import component valued at N4.90 trillion. The solid minerals trade accounted for N72.4 billion, the export component valued at N18.3 billion and import at N54.1 billion.

However, NEXIM bank through the leadership of Mr. Bello has changed the narrative with interventions in the country's non-oil exports to stimulate the sector and boost economic growth through its several initiatives targeting agriculture and solid minerals and other priority sectors with employment generating potentials.

This is evidenced by the 5.44 percent real terms growth of the non-oil sector GDP in third quarter of 2021, higher than the previous quarters.

Consequently, non-oil export finance took a facelift when Mr. Bello assumed office in 2017, when he developed a new Strategic Plan (2018 – 2022) to enhance its operational performance, achieving the bank's mandate and contribute towards meeting the objectives of the federal government under the Economic Recovery and Growth Plan (ERGP).

Assessment of Results

Immediately Mr. Bello assumed office, the financial space of the bank, including growth of its balance sheet from N67.73 billion in April 2017 to N158.84 billion as at January 31, 2021.

Similarly, with effective stakeholder engagements and the high level of confidence in the current management, the CBN had released N50 billion to NEXIM in February 2018 to implement the export development programme to further strengthen the sector to contribute to government's economic diversification drive. The fund was further increased to N100 billion in December 2020 following effective utilisation.

The development finance institution is also collaborating with the apex bank to manage the N500 billion non-oil export stimulation facility, which had been introduced to provide long term funds to export oriented projects towards increasing value added exports.

N68 billion Disbursed Under EDF

The bank's activities under the Export Development Fund (EDF) have led to processing of 227 applications worth N159.27 billion and US$37.67 million, out of which N98.87 billion has been approved.

Also, the sum of N68.01 billion has been disbursed to 68 beneficiaries, while approvals totaling N30.86 billion are currently in the process of meeting pre-disbursement conditions.

Bello said so far, $182.31million and €203,018.42million, translating into N70.40billion, had been received as export proceeds from projects that have repatriated their income, while others are yet to complete the transaction circle.

According to him, many of the institutions supported through the intervention now feature on the list of top 100 exporters published annually by the CBN.

The bank has also sustained efforts to clean up the balance sheet and ensure improvement in risk management practices with new loans granted from 2018 performing 100 percent, which is a major departure from the huge non-performing loans in the past.

Boosting Exports

In furtherance of the federal government's objectives of creating jobs, reducing unemployment and promoting financial inclusion, the bank had launched special intervention programmes and enhanced its operating structure to among other things establish the Women and Youth Export Development Facility to provide credit assistance to industries dominated by women/youth or women owned businesses towards achieving the objectives of sustainable development goals.

It also launched the Anchor Export Programme designed to provide market access to small players and increase intervention in all aspects of the export value chain as well as the SME Desk/ small & medium enterprises export facility (SMEEF), created to support SME exporters under more favorable terms and conditions.

Continental Collaborations

In its bid to boost trade facilitation and fast track Nigeria's readiness under the African Continental Free Trade Agreement (AfCFTA), the NEXIM Bank is currently spearheading the Sealink Project which is aimed at fostering regional trade connectivity and facilitating inland waterways operations to support hinterland trade and bulk commodities exports, especially of solid minerals.

Also, there has been huge collaborations with NIWA, Nigerian Navy and other private sector partners to ensure commencement of operations within Q1, 2022.

It further launched the Inter-State Road Transit Scheme, which was designed to facilitate the transportation of goods by road across Customs territories free of duties, taxes, and restrictions while in transit in line with Economic Community of West African States (ECOWAS) protocol. NEXIM is the national guarantor under the scheme whose role is to issue insurance bond to mitigate the risk of diversion. Additionally, factoring services are being promoted to engender financial inclusion and provide alternative trade financing support for micro, small and medium enterprises (MSMEs).

Ripple Effects of Interventions on Economy

As Nigeria's export development bank, NEXIM serves to develop key exportable commodities, unlock opportunities and derisk key non-oil export sector to facilitate investments and increase the flow of credits, towards achieving the diversification objectives of the federal government.

In the last four years, the bank has operated under the philosophy of Produce, Add Value and Export (PAVE) to change the current narrative of the dominance of primary products in our export basket. Hence, in addition to supporting start up projects, a lot of emphasis was also placed on providing working capital to resuscitate many industrial projects, which have hitherto become

CONTINUES ON PAGE 20

For Driving Export Growth, Abba Bello Gets A Deserved Re-Appointment

CONTINUES FROM PAGE 18

moribund or operated below capacity towards boosting our value-added exports and enhancing jobs creations.

The projects cuts across the key sectors of manufacturing, agriculture, solid minerals and services.

Its intervention in the hides and skin industry is notable as the bank seeks to harness opportunities in the global leather industry and is working with the leather cluster in Kano, having funded about three companies and assisted them to acquire new machines and retool their operations towards becoming major players in the global value chain.

The shea industry has also received due attention whereby the bank is currently supporting various projects in Lagos, Ogun and Niger States.

NEXIM's intervention and support for the acquisition of Shea Processing Plants led to the first major export of Shea butter from Nigeria in March, 2018. Prior to NEXIM's intervention, Nigeria had no significant footprint in the export of shea products due to low processing capacity and high incidents of smuggling/informal trade. This is in spite of Nigeria's ranking as the world's largest producer of shea, with annual production of 364,000 metric tons, accounting for 45 percent of global output.

Mr. Bello also said that NEXIM's intervention is also targeted at revitalising existing processing plans towards increased value addition and ensuing that Nigeria benefits from global Cocoa value chain estimated at about $130 billion.

In solid minerals, he pointed out that the country has over 34 solid minerals in commercial quantities, which were largely unexploited adding that the bank's intervention is in the area of providing machinery/equipment and working capital to support mining and processing of solid minerals for export. He added that the bank has provided funding support to enhance the operations of logistics companies towards boosting regional trade, particularly within the context of the AfCFTA.

In the pharmaceutical industry, the bank, against the background of the COVID-19 pandemic and the opportunities in the regional market, is supporting major pharmaceutical companies with equipment and working capital finance towards retooling and upgrading their operations to World Health Organisation (WHO) standard towards the production and export of pharmaceutical products.

With all these and more initiatives being rolled out by the NEXIM bank, many have argued that it is only deserving for Mr. Bello to get a second tenure to consolidate on all these gains so far.

NDIC Pays N119 billion To Customers Of Closed Banks

● Seeks MFBs' Inputs To Template For Customers' Reimbursement

● As Bello Hassan Clocks One Year in Office

By Gbenga Adeleke

The Nigeria Deposit Insurance Corporation (NDIC) has announced the payment of N119. 1 billion as insured sums to 5535, 815 depositors, creditors and shareholders of closed banks as at Dec. 29, 2021.

The Managing Director (MD) of NDIC, Mr. Bello Hassan, disclosed this recently in Enugu during the 33rd Enugu International Trade Fair.

The NDIC boss also said that a total of N101. 117 billion had been paid as uninsured sums.

According to him, the corporation has declared full payment of insured and uninsured sums to depositors of 18 banks in-liquidation.

"This implies that the corporation has realised liquidation dividends to pay all depositors of the banks who present themselves for payment. The corporation has promptly responded to emerging issues in the emergence of Fintech and other forms of digital financial services with a view to extending deposit insurance coverage to new financial services," he said.

"I assure you that NDIC will not rest on its oars in its unrelenting efforts to protect depositors through prompt operational responses to new developments in the banking system," he also said.

He further said that the mandate of NDIC is focused on the protection of depositors, especially, small and less-sophisticated ones against the risk of bank failure.

He also said that a sound and stable financial system was the pivot upon which the economic system of any nation rests.

Meanwhile, the NDIC boss has recently clocked one year in office, following his appointment last year by President Muhammadu Buhari.

Today, the adage in NDIC is 'fast and steady wins the race,' as Mr. Hassan has hit the ground running and he is still running fast with almost every new day unfolding a new innovative idea to sustain and improve the standardisation of the NDIC.

In the short period that Hassan has been in charge of the affairs of the NDIC, the agency has witnessed an unprecedented reshaping of its corporate template to achieve better policies and drive.

This is neither coincidental nor accidental as he was fully ready for the job and was known to always deliver on any assignment. Hence, nothing less should be expected.

Since joining CBN, Hassan has been involved with on-site/off-site supervisions of banks and other financial institutions as well as financial stability issues.

● **Mr. Bello Hassan**, The Managing Director (MD) of NDIC

Recalled that in 2019, he was appointed director, Other Financial Institutions Supervision Department of CBN and later redeployed as Director, Banking Supervision Department in February 2020.

These put him over and above other contenders, beside making it clear President Buhari is out for a professional appointee instead of a political appointee."

For the past one year, the NDIC is a better place than it used to be. Public confidence in the agency has been fully restored while the agency is operating at optimum capacity largely because of the professional and corporate atmosphere in place as the current MD has seen to the recertification of NDIC's certification by the British Standard Institute on three ISO standards to sustain the legacy he inherited.

The Information Security Management System ISO 27001:2013 demonstrates NDIC's approach to information security and privacy — explicitly proving the agency's capability to identify and address the threats and opportunities around its valuable information and any related assets.

This is quite significant given that, for NDIC to win public confidence as a watchdog, it has to prove its capability to protect itself from security breaches and shields it from disruption if and when they do happen.

Next on the recertification list is: IT Service Management System ISO200001:2011. This demonstrates the agency's ability to efficiently deliver quality IT service management through a comprehensive process approach and maintains the standard over time.

In the same vein, the Business Continuity Management System ISO 22301:2012 certification is certainly a big addition to the NDIC as it indicates that the corporation has practical framework for setting up and managing an effective business continuity management system, aiming to safeguard the organisation from a wide range of potential threats and disruptions which enormities could only be imagined in an environment prone to disruptions.

It is also to the credit of Mr. Hassan that, in line with the recommendations of one of the core principles for effective deposit insurance issued by the International Association of Deposit Insurers (IADI), NDIC has reviewed the adequacy of the maximum deposit insurance coverage in the event of liquidation of any insured institution.

In the area of service delivery, the NDIC was recognised for efficient service delivery by MacArthur Foundation ahead of over 300 institutions covered in its survey of 2021.

Still upgrading the image of NDIC, Mr. Hassan saw to the ranking of NDIC as 1st out of 301 ministries, departments and agencies (MDAs) of government by the Independent Corrupt Practices Commission's (ICPC) 2021 Ethics and Compliance Scorecard.

With this new feat, stakeholders believe that Mr. Hassan is indeed on the verge of taking the corporation to another level, in terms of service delivery and capacity.

Meanwhile, the NDIC said it would seek the inputs of microfinance banks (MFBs) to a new platform designed for prompt payment of depositors of failed banks.

The Corporation has developed a Single Customer View (SCV) platform for quick payment of customers of failed microfinance banks (MFBs).

Managing Director, NDIC, Bello Hassan told the National Association of Microfinance Banks (NAMB) that inputs from the MFBs are to help to optimise the noble innovation.

MFBs are licenced by the Central Bank of Nigeria (CBN) but the NDIC liquidates and pays the verified claims of depositors in the event of failure.

The Single Customer View platform is expected to strengthen processes, ensure rendition of quality, timely and complete data as well as give the complete position of depositors' data at any given time.

He charged the association to promote the adoption of sound risk management practices by its members, stressing that it is key to the maintenance of a safe and sound MFB sub-sector.

Yusuf Gyallesu, President of NAMB, lauded the Corporation for its continued collaboration with the association and its members in strengthening microfinance bank operations in the country.

He recalled NDIC's contribution towards the acquisition of the National Association of Microfinance Banks Unified Information Technology (NAMBUIT) and continuous capacity building for operators amongst other support that the Corporation had given to the association.

The President disclosed the establishment of a Monitoring and Evaluation Department for which he sought the Corporation's assistance for its strengthening.

The department is created by the association to promote sound practices through self-regulation among MFB operators.

Experts Identify Measures to Strengthen Naira

● As CBN Highlights Efforts In Stabilising Local Currency
● Says N15 trn InfraCo A Major Game Changer

Experts in the financial sector recently gathered at a seminar for Finance Correspondents and Business Editors by the Central Bank of Nigeria (CBN) to discuss Nigeria's economy, with reference to how the naira could be strengthened. Correspondent, ***Peter Samson****, highlights key points at the event and other submissions by the apex bank.*

● **Mr. Godwin Emefiele,** Governor of CBN

Recently at a seminar held in Akure, Ondo State, themed: 'Exchange rate management economic diversification in Nigeria: The PAVE option', the Governor of CBN, Mr. Godwin Emefiele, as well as experts in the finance sector, offered strategies on how the different policies of the bank could strengthen the naira.

A member of the Monetary Policy Committee (MPC) of the CBN, Prof Michael Obadan, Chief Executive Officer (CEO) of Global Analytics Consulting Ltd, Dr Tope Fasua, and Managing Director (MD) of Cowry Assets Management, Mr. Johnson Chukwu, were among the experts.

In his submission, Mr. Emefiele said that the CBN has implemented measures to cushion the impact of the drop in the supply of foreign exchange (FX) on the economy.

He listed some of the measures to include the introduction of demand management approaches to conserve the reserves and support the domestic production of certain goods; encouragement of manufacturers to consider local options in sourcing for raw materials by restricting access to FX on some items.

Additionally, Mr. Emefiele said that the CBN also established an Investors and Exporters Window (I&E), to allow for purchase and sale of FX at prevailing market rate.

He said: "As a result of our demand management policy, the naira has remained largely stable at the I & E window, particularly since the discontinuation of FX allocation to Bureau De Change (BDC) operators along with the convergence between the CBN and NAFEX rates.

"Banks are now able to meet the demands of their customers seeking forex for small and medium enterprises (SMEs), school fees, medical and PTAs. Our current account deficit has narrowed significantly due to a surplus position in the goods account.

"The surplus position in the goods account is occasioned by a reduction in imports, increase in crude oil and gas export receipts, and improvement in remittances. Remittance inflows have been supported by our 'Naira for Dollar' scheme, and we have seen a surge in remittance inflows."

The Governor said that the initiative of the CBN tagged 'PAVE', an acronym for Produce, Add Value and Export, is expected to make Nigerians consume what they produce, add value to it, and even export the surplus.

"It is an initiative akin to South-East Asia's much referenced export-led industrialisation policy which changed the economic fortunes of countries such as South Korea, Taiwan, Malaysia and Singapore.

"PAVE is designed to be the key for fast-tracking a bucket of substitutes to crude oil export. It encourages backward integration for the local production of select items," he added.

Meanwhile, in his presentation, an economist and member of the MPC of the CBN, Professor Mike Obadan, said that Nigerians should start reducing their huge appetite for importation as this is increasingly pushing pressures on the naira.

He noted that Nigerians import what the country has comparative advantage in producing, such action is affecting businesses and the economy negatively.

To improve FX earnings and achieve exchange rate stability, Prof. Obadan said that there is need to target the management of the demand and supply side of the FX equation.

Specifically, he called for revival and rebuilding of the productive sectors of the economy to achieve higher capacity utilisation and competitive manufactured exports.

He also said that there is need to vigorously implement the development finance interventions of the central bank targeted at increasing non-oil export earnings such as the RT200 FX programme, 100 for 100 policy on production and productivity, export development fund, and non-oil export stimulation facility, among others.

He advocated strong government encouragement of local refining of petroleum products for both domestic consumption and exports as well as reduce foreign exchange demand to import refined petroleum products.

The MPC member also called for strong and effective surveillance of the foreign exchange market by the monetary authority to check round-tripping of foreign exchange from the Deposit Money Banks (DMBs) to the parallel market as well as increase the sourcing of local raw materials and revival of the capital goods industry.

According to him, promotion of fiscal and monetary discipline and harmony is vital as it will check excessive official demand for foreign exchange.

Prof. Obadan also called for the creation of an enabling environment for productive capital inflows, especially foreign direct investment as well as actively promote restoration of confidence in the economy to check capital flight.

He said: "Let us rationalise imports structure to manage demand for foreign exchange. As may be permitted by supply considerations, use the stock of external reserves to support the exchange rate through increased funding of the foreign exchange market.

"Use moral suasion to encourage Nigerians to patronize home-made goods and reduce their high propensity for importation of all kinds of goods and services.

"Import only when it is absolutely necessary. They should also eschew unhealthy speculation in foreign exchange as well as rent-seeking behaviour and adopt positive attitudes towards ensuring a stable exchange rate for the naira."

In his submissions also, a finance analyst and Chief Executive Officer of Global Analytics, Mr. Tope Fasua, said that the government needs to come up with productive policies to strengthen the value of the naira.

"The problem lies in economic complexities. We need to move beyond mere primary products to adding value. Our biggest imports are technology and then PMS," he added.

In his comment, Chukwu said without the right human capital, Nigeria cannot become a productive economy.

He said, "We need an education system that will develop the competence of those that will make up the productive sector of the. We must develop our agricultural capacity to enable us have comparative advantage. We need supporting infrastructure to boost productive capacity.

"If we don't have the right human capital, our population will not be productive and you won't be able to attract the right type of investments to boost production. To fix the country, we must have right human capital with supporting infrastructure."

Also speaking, Chief Executive Officer (CEO) of Cowry Assets Ltd., said that the only way Nigeria could reduce the pressure on naira is to become a producing county.

"If you look at it, the naira has maintained a downward trend since 2015, this is because we have appreciated in our level of consumption rather than production since then.

"Although the CBN has brought several interventions, especially in the agriculture value chain, to enhance production, more needs to be done, especially in the services and manufacturing sectors," he added.

Interventions

In the area of interventions, Mr. Emefiele stated that the various interventions by the apex bank have helped to keep the economy afloat. According to him, "being a developing economy, our approach to monetary policy must incorporate context. We do this by innovating around the use of available instruments. We understand that monetary policy must coordinate well with fiscal policy towards addressing the numerous developmental challenges our nation faces. Fortunately, the enabling statute envisages this and empowers us to intervene where and when necessary."

"Under my watch, the bank has done this through various development finance initiatives. And with the benefit of hindsight now, we can safely say that the outcomes have so far justified our approach.

"Let me also remind us of the commitment I made while unveiling my vision for the CBN. It is on record that I had pledged to build a central bank that is professional, apolitical and people-focused.

"My mission was and still is to bequeath a central bank that focuses on building a resilient financial system that can serve the growth and development needs of our beloved country, Nigeria.

"For us, the CBN was to act as a financial catalyst by targeting strategic sectors that could create jobs on a mass scale and reduce the country's import bills.

"To solve the immediate and long-term economic challenges of the country, we needed to create an enabling environment with appropriate incentives to empower innovative entrepreneurs to drive growth and development."

In the same vein, the CBN overtime in an effort to stimulate the flow of credit to the real sector of the economy and reverse the nation's over-reliance on imports, the Central Bank of Nigeria introduced the 100 for 100 policy on production and productivity (PPP).

The apex bank received 224 applications, valued at N294.91 billion for real sector projects in agriculture, energy, healthcare, manufacturing and services in the first tranche.

Similarly, as some Nigerian farmers get set for the new planting season, Prof. Ken Ife said that a total of N948 billion has been disbursed to farmers as loans through the Anchor Borrowers Programme (ABP) of the CBN in-conjunction with the commercial banks, as at the second week of February, 2022.

The N15trillion Infrastructure Company Limited (InfraCo), is designed to bridge the nation's huge infrastructure gap.

Investors in the N15trillion InfraCo include the CBN, Nigeria Sovereign Investment Authority (NSIA) and Africa Finance Corporation (AFC).

FG Charges Shell, Chevron, NNPC On Gas Supply To NLNG Plants

By Azeez Abbu

The federal government has appealed to partners in Nigeria Liquified Natural Gas (NLNG) project to allow transportation of third-party gas through its joint pipelines to increase gas supply to the plant.

Minister of State Petroleum Resources, Chief Timipre Sylva, made the appeal during an audience with the new Italian Ambassador to Nigeria, Mr Sefano De Leo, recently in Abuja.

NLNG has been unable to operate at full capacity following the refusal of the joint partners Shell, Chevron, NNPC and others, to allow third parties to transport gas through their pipelines to the NLNG Trains.

This, has been causing the company's inability to meet both domestic and international gas obligations.

According to a statement by his Senior Adviser (Media and Communications), Mr. Horatius Egua, the NLNG is at present only able to produce at about 70 percent of installed capacity.

Mr. Sylva said that if the NLNG partners relaxed their rules and allowed third party to supply gas to the NLNG, the company would be able to provide gas to help ease European Union's (EU's) gas crisis.

"The issue we have with the existing NLNG Trains is that of insufficient gas supply. The partners are running out of gas and they are refusing third party to supply gas to the Trains.

"The partners are insisting that they can only allow third party supply gas to the plant if they agree to supply at subsidised rates.

"These people, of course, want to make money and they cannot supply at subsidised rates and that is why the NLNG Trains cannot produce at full capacity.

"The partners can afford to supply at subsidised rates because they are partners in the NLNG project not the third parties.

"This is a very critical issue I want to discuss with the respective partners to see how we can resolve this problem so that we can increase the production capacity of the NLNG," Mr. Sylva said.

The minister, who stressed the long-standing relations between Nigeria and Italy, also sought the cooperation of the Italian government in providing support for night helicopter rescue operations in the country.

He added that at the moment helicopters cannot fly in the night in Nigeria thus foreclosing any rescue operations at night.

He said: "For us, this is a very important matter. We want to develop a 24-hour economy. We want a situation where helicopters can fly 24 hours in Nigeria".

In his response, De Leo stressed the importance of Nigeria in Africa and noted that as the continent's most populous country, it would be difficult for anyone to ignore the country both at the political and economic front.

"At the moment, the EU wants to diversify its energy sources, especially gas, and Nigeria is very strategic to us. We have been long-standing friends and partners and one of the most important ones for that matter.

"So, we need to continue to dialogue on how things can be done properly. In Africa, no country is more strategic than Nigeria because of its population, economy and political position. So, we are happy to work with you," the ambassador further stated.

Chief Timipre Sylva, Minister of State Petroleum Resources,

From June, 2 million Nigerians Will Get N5,000 Monthly, Says FG

By Aaban Muhammad

The federal government would pay 2million people N5,000 each under the basic cash transfer and an additional N5,000 under the conditional cash transfer as from June this year. This implies that the government would be spending N20billion on the beneficiaries.

The federal government said two million citizens will start receiving N20billion monthly as basic cash transfers and conditional cash transfers under the National Cash Transfer Programme, from June.

This is according to a March 2022 document on the strategic roadmap and activities of the Federal Ministry of Humanitarian Affairs, Disaster Management and Social Development.

The document showed that the number of people receiving cash transfers from the government had been increasing.

The report stated that in 2018, a total of 19 states were covered under the National Cash Transfer Programme, as this increased to 24 states in 2019 and moved up to 36 states and the Federal Capital Territory in 2022, covering 1.6 million people.

But the Minister of Humanitarian Affairs, Disaster Management and Social Development, Sadiya Farouq, stated in the document that the number would increase further in June. Under the cash transfer scheme, the federal government supports poor and vulnerable households with cash on a monthly basis.

"By June 2022 we would be paying two million people N5,000 basic cash transfer and an additional N5,000 on conditional cash transfers, which is conditioned on good health-seeking/behaviour, school retention, and good water and hygiene conditions in their environment/homes," Farouq stated.

She explained that the ministry designed and piloted a shock-responsive social register, called the Rapid Response Register to capture urban poor informal workers, who were daily wage earners, working across towns and cities, and impacted by the COVID-19 lockdown.

The minister said: "To date, of this one million targeted by the government, we have been able to pay the sum of N5000 to 850,000 beneficiaries digitally through the Nigeria Inter-bank Settlement System, where each account is carefully validated by the system before payment.

"150,000 will be paid by the end of April 2022. Each of these beneficiaries is receiving six months of support in cash."

Under the National Social Register, the ministry stated that 46 million persons in the 36 states and FCT, in 11 million households, had been registered as of 2022.

The ministry stated that the N-Power volunteer scheme provided temporary job opportunities for 498,602 graduates under Batches A and B, while 450,000 graduates under Batch C Stream 1 were also engaged.

It added that 390,000 others were being onboarded for Batch C Stream 2, and that there was presidential approval to enroll additional one million beneficiaries.

It further stated in the document that 174 of the 1,850 mobile agents trained, kitted, and registered with the Central Bank of Nigeria – Shared Agents Network Expansion Facility for agency banking achieved a transaction volume of over N657 million between January 1 and March 25, 2022.

"The top 10 mobile money agents executed transactions totalling N300,095,545.06 and earned N1,852,499.00 between January and March 25, 2022," the ministry stated.

The report indicated that 9.8 million pupils were being fed daily under the National Home-Grown School Feeding Programme, while 127,000 cooks had been engaged and 98 aggregators were supplying various protein products.

The school feeding programme is one of the four clusters of the National Social Investment Programme which seeks to provide one free daily meal to pupils on the programme.

The NHGSFP is designed as a collaboration between the Federal Government and state governments. The Federal Government is responsible for the release of funds, guidelines, policies, and monitoring.

The state carries out the day-to-day implementation including procurement of food items, and selection of cooks and vendors who prepare, cook, and serve the meals to the pupils.

Nigeria Begins Fertiliser Export To US, Brazil, Others

By Majeed Salaam

With the inauguration of the Dangote Fertiliser Plant, in Lagos, Nigeria has commenced the exportation of Urea-based fertiliser to the U.S, India, Brazil, Mexico and Argentina.

The Executive Director, Strategy Capital Projects and Portfolio Development, Dangote Group, Devakumar Edwin, disclosed this recently when the Minister of Information and Culture, Alhaji Lai Mohammed led a team of journalists on a working tour of the Dangote Fertiliser Plant in Ibeju-Lekki, Lagos.

The minister and his team also took a tour of the Dangote Petroleum Refinery and Petrochemicals, also located at the Lekki Free Trade Zone in Ibeju Lekki.

Speaking at a newly constructed jetty for the urea export, Edwin said the plant had the capacity to meet the 1.5 million metric tonnes per annum current level of fertiliser consumption in Nigeria and also export the product.

He said that the Dangote Urea, made from natural gas, is an export quality product with global standard. Hence, the demand for it in the global market.

Edwin assured that the plant would continue to meet local demand for the product at an affordable price in order to make Nigeria self-reliant in food production.

At the jetty, a media team, according to media, witnessed a ship being loaded with Urea for export to Argentina.

Speaking at the event, the minister corroborated Edwin, saying that Nigeria is currently self-sufficient in the production of Urea and it is the leading producer of the fertiliser in Africa.

"Before this administration came into office in 2015, Nigeria had a fertiliser shortfall of about 3.5 million tonnes per annum (over 6 million tonnes per annum are required in the country).

"Thanks to the Presidential Fertiliser Initiative launched by President Buhari, indigenous companies like Indorama and Notore – with a combined capacity of over 2.5 million tonnes per annum," he said.

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POLICY BRIEF

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Resounding The Needful For Sustainable Growth

High public debt levels and the uncertain outlook for sustainable growth could, of course, limit the scope for growth through large public investment programs. The private sector will have to play more of a role in economic development if we are to enjoy a strong recovery and avoid economic stagnation.

Infrastructure — both physical (roads, electricity) and social (health, education) — is just an area where the private sector could be more involved. Nigeria's infrastructure development needs are huge – Nigeria needs $1.5 trillion to close Infrastructure deficit in 10 years.

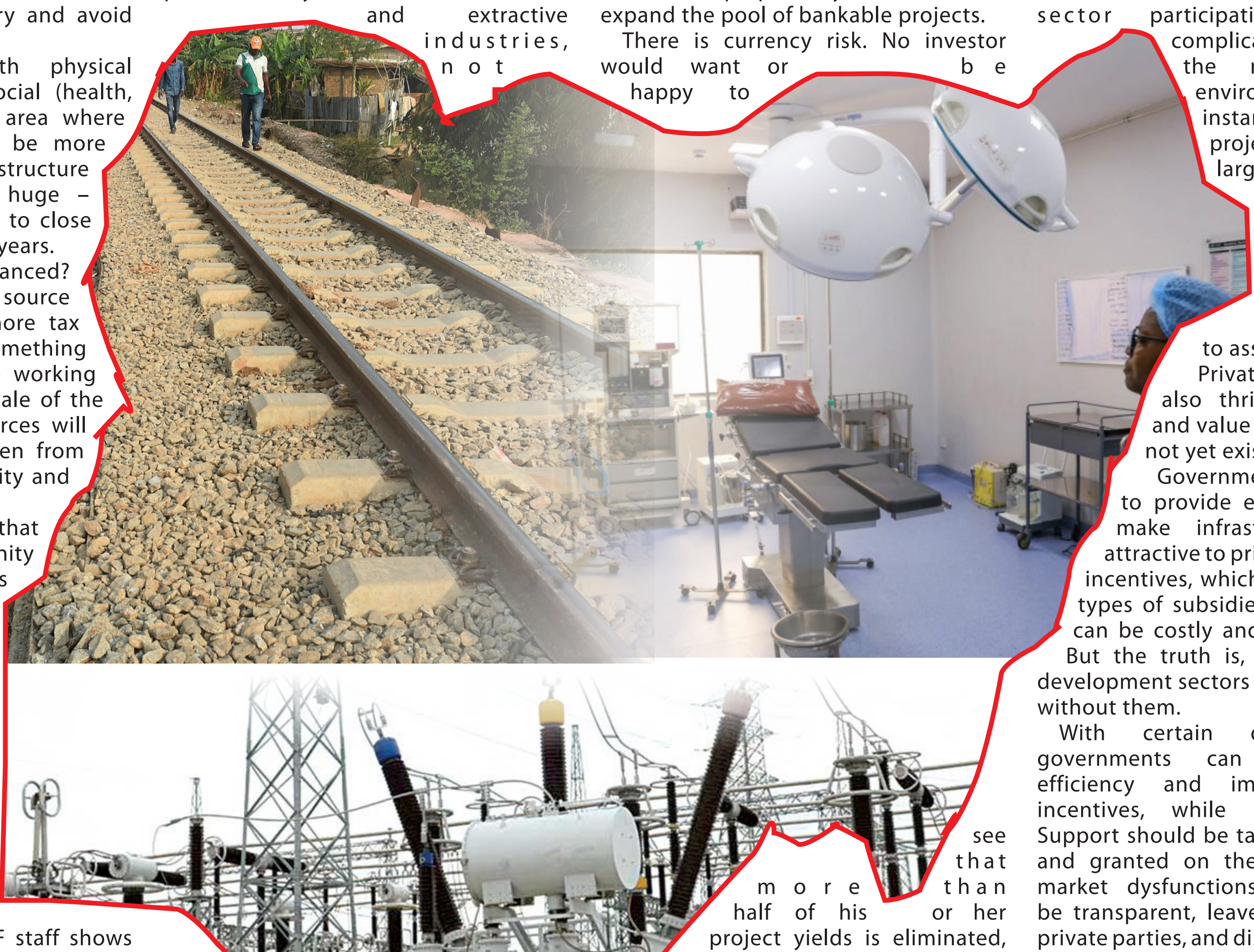
How can this be financed? All else equal, the main source of financing would be more tax revenue collections, something which most countries are working towards. But, given the scale of the needs, new financing sources will have to be mobilised, even from the international community and the private sector.

The country is one that holds immense opportunity for private investors. It has a young and growing population and abundant natural resources. Cities are seeing massive growth. Many countries have launched long-term industrialisation and digitalisation initiatives. But significant investment and innovation are necessary to unlock the nation's full potential. Recent research published by IMF staff shows that the private sector could, by the end of the decade, bring additional annual financing equivalent to three percent of sub-Saharan Africa's GDP for physical and social infrastructure.

This represents about $50 billion per year (using 2020 GDP) and almost a quarter of the average private investment ratio in Africa.

At the moment, the private sector is not much involved much in financing and delivering infrastructure in Nigeria. Public entities, such as national governments and state-owned enterprises, carry out 95 percent of infrastructure projects. The volume of infrastructure projects with private sector participation has significantly declined, following policy uncertainty.

Looking at this from African point of view, the limited role of private investors is also apparent from an international comparison perspective: Africa attracts only two percent of global flows of foreign direct investment. And when investment does come to Africa, it is predominantly to natural resources and extractive industries, not



health, roads or water.

To attract private investors and transform the way Nigeria nay Africa finances its development, improvements in the business environment seem critical.

Considering risks involved, researchers have shown that three key risks dominate investors' minds: Project risk: Despite the country presenting a wealth of business opportunities, the basket of projects that are truly 'investment-ready' remains limited. These are projects sufficiently developed to appeal to investors that do not want to invest in early-stage concepts or unfamiliar markets. Financial and technical support by donors and development banks could help Nigeria fund feasibility studies, project design and other preparatory activities that expand the pool of bankable projects.

There is currency risk. No investor would want or be happy to see that more than half of his or her project yields is eliminated, following the currency depreciation. No wonder currency risk is a top concern for investors, local or international. Prudent macroeconomic policy combined with sound foreign exchange reserve management can greatly reduce currency volatility.

For international or foreign investors, there is exit risk. This becomes a serious concern because no investor will enter a country if they do not have assurances that they can also exit by selling their stakes in a project and recouping their gains. Narrow and underdeveloped financial markets may prevent investors from exiting by issuing shares. Capital controls can slow down or increase the cost of exiting. And, when the legal framework is weak, investors may get bogged down in legal battles to have their rights recognised.

Therefore, this calls for improved business climate which is important but not enough. Not a few investors believe that development sectors have certain structural features that make private sector participation intrinsically complicated, even in the most favourable environments. For instance, infrastructure projects often have large upfront costs, but their returns accrue over long periods of time, which can be difficult for private investors to assess.

Private sector growth also thrives on networks and value chains, which may not yet exist in new markets.

Governments may have to provide extra incentives to make infrastructure projects attractive to private investors. The incentives, which comprise various types of subsidies and guarantees, can be costly and carry fiscal risks. But the truth is, many projects in development sectors would not happen without them.

With certain design features, governments can maximise the efficiency and impact of public incentives, while minimising risks. Support should be targeted, temporary and granted on the basis of proven market dysfunctions. It should also be transparent, leave sufficient risk to private parties, and display additionality, meaning that incentives should make worthy projects happen that would not happen otherwise.

Conclusively, the size should be well-calibrated to avoid overcompensating the private sector.

Given the limited availability of public funds, Nigeria, even African region and development partners could consider reallocating some resources used for public investment towards financing public incentives for private projects. When the reallocation is gradual and supported by sound institutions, transparency and governance, as is some experts' submission, it could increase the amount, range, and quality of services for people in Africa. More innovative thinking can help realise the transformative potential of infrastructure on the continent.

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